1872.

PERMANENT AND TEMPORARY SETTLEMENTS,

NORTH-WESTERN PROVINCES.

Published by Authority.



ALLAHABAD:

PRINTED AT THE NORTH-WESTERN PROVINCES GOVERNMENT PRESS.

1873.

ORDERS OF GOVERNMENT.

No. 685A. of 1874.

FROM

THE SECRETARY TO GOVERNMENT,

NORTH-WESTERN PROVINCES,

To

THE SECRETARY TO GOVERNMENT OF INDIA,

HOME DEPARTMENT.

DATED ALLAHABAD, THE 2ND MARCH, 1874.

SIR,

REVENUE DEPARTMENT

I AM now directed to reply to Mr. Bayley's letter, dated 26th May, 1871, on the question of permanent and temporary settlement of the land-revenue.

2. The circumstances which led to the re-opening of this subject after it had been apparently settled conclusively by the orders of the Home Government require to be briefly recapitulated.

3. Shortly after Sir William Muir assumed the government of these Provinces, it was found that in some parts of the country which fully came up to the conditions requisite for a permanent settlement as laid down by Her Majesty's Government, the prevailing standard of rent was abnormally low; and as the "existing assets" (or rental) form the standard of assessment,* it was evident that any settlement in perpetuity based upon such existing rental would involve a gratuitous sacrifice of revenue.

* See paragraph 17, Secretary of State's despatch, dated 24th March, 1865, No. 11, Revenue.

4. In February, 1869, the difficulties in the way of applying the prescribed rules for permanent settlement to the Pergunnah of Baghput, Zillah Meerut, were submitted to the Government of India. From various causes, the standard of rent was found to be greatly below that prevailing elsewhere. A full jumma would at these rates have been about £24,500. The old assessment was £14,800, and the Settlement Officer believed that for the present it could not safely be raised higher than £21,000. His Honor thought that where the full assessment could be imposed within (say) seven years, such full assessment might be assumed as the basis of permanent assessment, on the ground that rents would before long rise in this pergunnah "to the standard prevailing elsewhere."

5. The extraordinary and sudden rise of rents in Boolundshuhur led the Lieutenant-Governor subsequently to take a wider view of the question; and the subject was discussed in His Honor's Minute, dated 22nd December, 1869, in which instructions were solicited from the Government of India.

6. It was pointed out that the conditions prescribed for a permanent settlement by Her Majesty's Government were defective in not providing for the contingency of rents being at the time of assessment below the prevailing standard. In paragraph 38 a third condition was accordingly suggested, in addition to the two already laid down; and in paragraph 39 the subject was commended to the consideration of the Board of Revenue, with the remark that "it might perhaps be possible to lay down some standard of average rates, below which no settlement shall be confirmed in perpetuity."

7. In paragraph 40 it was further discussed whether, under certain limitations, it might not be expedient to make the land-revenue, as settled in perpetuity, subject to revision, if the rise in the price of agricultural produce should in the course of time exceed a given ratio. In conclusion His Honor said:—"If care is taken that no settlement be confirmed in perpetuity unless upon adequate rates of rent, and with such a condition as to rateable increase in proportion to increase of prices, the sacrifice of revenue would be mainly limited to what is legitimate,—namely, the relinquishment of a share in the profits hereafter created by the investment of labour and capital."

8. This minute was laid before the Government of India on the 12th January, 1870, and on a review of what was advanced in it, the Governor-General in Council, in the despatch above quoted, requested that the Lieutenant-Governor would "now re-consider this great question of the permanent settlement of the North-Western Provinces;" and the Right Hon'ble the Secretary of State approved of this course.

9. On receipt of the above orders the whole subject was referred by the Lieutenant-Governor for careful consideration to the Sudder Board of Revenue in a despatch of which copy is attached to this letter.

10. The Board again referred the question for opinion to the most experienced Revenue Officers in the North-West Provinces, and the volume now submitted contains the reports of these gentlemen, together with a *resumé* by the Secretary to the Board, Mr. A. Colvin; and also Minutes on the subject by the Members—the Hon'ble J. D. Inglis, C.S.I., and Mr. H. S. Reid. A valuable paper is added by Mr. J. R. Reid, Settlement Officer of Azimgurh, who enjoys peculiar advantages in considering the comparative advantages of the two systems, since his district (otherwise under temporary settlement) contains a large number of estates permanently assessed. The reports are, many of them, of great value and interest; they contain a vast amount of valuable information, and a patient and thoughtful discussion of the grave and intricate questions involved in this correspondence.

11. It remains for the Lieutenant-Governor, as desired by the Government of India and Her Majesty's Secretary of State, to submit his own sentiments on the subject.

12. On the benefits to be anticipated from a permanent assessment of the land-revenue, the views of the Lieutenant-Governor remain unchanged. These benefits, as summed up in paragraph 30 of a Minute

recorded by him when Member of the Sudder Board of Revenue, dated 15th December, 1861, consist of :—

"1*st.*—Saving of the expenditure now incurred by the necessity of periodical assessment.

"2*nd.*—Deliverance of the people from the vexations prevalent at every re-settlement.

"3*rd.*—Freedom from the tendency to depreciation of property towards the close of each temporary settlement.

"4*th.*—Prosperity arising from increased incentives to improvement and expenditure of capital.

"5*th.*—Greatly increased value of landed property.

"6*th.*—Content and satisfaction among the people."

13. His Honor has, indeed, seen reason to question whether, in the present condition of the agricultural population, the fourth of the above benefits is sensibly felt. The evidence from Azimgurh tends to show that there is no material difference in the prosperity and improvement of estates permanently assessed, as compared with those, side by side with them, under temporary settlement. No doubt, in the progress of the country, the time may be looked for when more enlightened ideas will prevail, and the owners of land will devote capital to agricultural and economical improvements. But the Lieutenant-Governor is bound to say that, as yet, there is little sign of this. The argument, therefore, under this head must be held wanting in force at the present time.

14. On the other hand, Sir William Muir has seen cause of late to attach a higher importance even than he did before to the last of the reasons above given. Wherever his camp passed through districts in which the land tax had lately been materially increased, the Lieutenant-Governor was assailed by bitter complaints of loss and hardship by the people ; and it cannot be otherwise. The land-owners had during a whole generation enjoyed a certain income, and the expenses of their families and retainers had long become adjusted thereto. Now, when it was suddenly cut down, the outgoings could not readily be adjusted to the new income, and want and hardship must press somewhere. The discontent was not decreased by seeing some of their neighbours, who seemed to get along very comfortably under the old settlement, receive an unexpected increase to their income by the diminution of their payments to Government. The increase of the land-revenue was followed generally by a corresponding increase of rent ; and the discontented cultivators added their cries to those of the landlords. The intensity of dissatisfaction and complaint, and the urgency of great bodies of petitioners pressing around the Lieutenant-Governor on these occasions, have been quite exceptional, only equalled indeed or surpassed by the reclamations against the income tax.

15. But while thus adhering to his conviction of the evils inherent in a changeable assessment, Sir William Muir has never advocated the limitation in perpetuity of the land-revenue under circumstances which

should gratuitously sacrifice the interests of Government. His advocacy of the measure in 1861 was based on the assumption that, in future settlements, the revenue would not "materially vary from its present amount." This was the opinion of the Revenue Board deliberately expressed in the Administration Report for 1859. His Honor is free to admit now that the assumption was based on insufficient grounds; one premiss—the assumption, namely, of the adequacy of existing rents—was wrong; a fact unperceived at the time, but which subsequently transpired in 1869, and which forms the main subject of the papers now submitted. In point of fact, the revised assessments now in progress have resulted in a very considerable accession of land-revenue, and this notwithstanding that the share of the rental which the Government now profess to take is reduced from $66\frac{2}{3}$ to 50 per cent. It is true that the increase is to a large extent due to reclamation of waste land and to improved modes of cultivation, but it is equally attributable to rise in rent.

16. It is here necessary to allude briefly to the relative position in these Provinces of the landlord and tenant, and to the nature of the assets on which the Government demand is assessed. The landlord deals directly with the tenant, and his action in enhancing rent is taken altogether independently of Government, excepting in so far as the sanction of the law is required, and then the interposition of the Courts is purely judicial. The rental which the landlord thus imposes forms "the assets" on which the land-revenue is assessed. The Government trusts to the self-interest of the landlord to maintain his rents at a full standard; but there are many influences at work to keep down the standard of rent, and to render its rise in different quarters very unequal.

17. The causes which act upon rent have been very fully explained and illustrated in the reports now submitted; they depend partly on the market value of produce, partly on competition, partly on the pressure of the revenue, and partly on agricultural improvements.

18. The market value of produce may be affected by a general rise in prices, or by a local rise in value owing to improved means of commutation. Where rents are taken in kind at a fixed proportion of crop or by commutation at market rates, there the rise in rent, *i. e.*, in the value of the share which falls to the landlord, will be in direct proportion to the rise of prices. Where the rent is fixed in money, it may be long before the rise in prices makes itself felt on rent. There are, first, the extensive classes of privileged tenants, in respect of whom a legal process is required to raise their rents, and it is always difficult to reduce to direct proof a definite claim of rise in value. The rents of tenants-at-will are of course subject to no such restriction; but here usage rules to a great extent all over the country, and the prescriptive or customary rates of rent have a tendency to become stereotyped and to resist innovation. The problem, moreover, of the mode in which rise in price affects rent, supposing it to act with absolute freedom and directness, is not an easy one; increase in rents is certainly not in any direct ratio to rise in prices, for that of itself occasions an immediate rise in many of the expenses of the cultivator, his cattle and labourers. And whatever the legitimate increase may be, it is

found to follow at a long interval, and with great variety in different parts of the country. But it is quite certain that, notwithstanding all the conflicting elements at work, a material increase of rent corresponding in some degree with the rise of prices, does as a matter of fact, and apparently by a necessary law, follow sooner or later in the wake of the rise of prices.

19. Now it is to be observed that this increase is altogether irrespective of the expenditure of labour or capital by the landlord upon his estate. It comes quite independently of any exertion on his part; and involves none of those motives or results which it is the avowed object of a permanent settlement to develope.

20. The next cause of a rise in rent is competition. Where little land is left to be reclaimed, and where the agricultural population exceeds the requirements of the soil, there the tendency will be for competition to take place;—other cultivators being prepared to bid higher than the occupants for their fields. The same opposing influences come into play here, both as regards privileged tenures and the sway of custom, as were noticed in the case of rise in prices. And, consequently, excepting some special localities, as the vicinity of cities and very thickly populated centres, this cause is not very active; but it does exist, and probably in the future it may become more influential and operative than it has hitherto been.

21. Here, too, the increase whatever it may be is irrespective of he exertions of the landlord in the way of labour and capital.

22. Another cause in the rise of rent is an increase in the revenue demand. This is based on the ancient practice under which rent (after deduction of the expenses of management and of certain dues in recognition of a *quasi*-proprietary interest) was held to be the revenue of the State. In some places the custom still survives so strongly that the cultivator pays as rent little more than the rate which is paid as revenue by the proprietors. And everywhere an enhancement of the revenue is, as a rule, followed by a corresponding enhancement of the rates levied from the cultivators. This rise occurs at the time of the settlement of the land-revenue or shortly after, and is ordinarily pressed so as to raise the rental, under the prevailing settlement rule, to double the amount of the revenue assessed on the landlord. It does not, therefore, come directly within the scope of the present argument; although it shews that the margin enjoyed by the cultivator is susceptible of large enhancement, wherever the landlord is in a position to press his claim effectively.

23. Lastly, we have rise in rent arising from reclamation of the waste, and from improvement in cultivation, in the modes of agricultural appliances, manure, irrigation, &c.; this, however, is a cause which fixity of assessment was intended directly to promote. It is true that hitherto improvements are found to have been made more by the ryot than by the landlord; but such is by no means the universal rule, and in view of encouraging the improvement of the land, this element in the rise of rent is one which (excepting in backward and ill-developed

estates and tracts) the Government might consistently, under the principles enunciated in the despatches upon perpetuity of assessment, leave out of calculation in any measures for securing its future share in the rise of rents.

24. Looking, now, to the incidence of the land-revenue, as recently revised or now in process of revision, it may be remarked that the new demand has everywhere been materially affected by the rates of rent, whether high, moderate, or low, prevailing at the time of revision. This may be illustrated by the assessment of Pergunnah Baghput, Zillah Meerut, which, though a rich and flourishing pergunnah, is assessed at Rs. 2-2-1 on the cultivated acre, while the rate for the adjoining Pergunnah of Barote is Rs. 2-14-5; this is mainly owing to the low rates of rent long prevalent there, and to the impossibility of at once raising the revenue to the full pitch without injury to the agricultural prosperity of the pergunnah. The course of the Boolundshuhur settlement is also in point; the assessment was fixed there at a time of depression succeeding the drought of 1860-61, and preceding the prosperous influences which enabled the proprietors after the settlement greatly to increase their rentals. The revenue rate on Boolundshuhur is Re. 1-9-8, which is greatly below the rate (Rs. 2-1-5) of Meerut, which it adjoins.

25. There are other districts, again, which are in a rapid course of improvement from the reclamation of waste lands and opening out of communications, as Goruckpore and Bustee (the rate on which is Re. 1-1-7), and the greater part of Rohilkhund.

26. There is also another cause of variation in the pressure of the Government demand, and that is the varying standards which Settlement Officers have set before them in assessing the land-revenue. From the nature of the work, it is of necessity that a large discretion be allowed to the assessing officer. The variations from this cause were greater in the earlier settlements than now. The work of the Settlement Officer was formerly subjected to the scrutiny of the Commissioner and Members of the Board on their circuits, but this was found to provide too uncertain a check, and one that sometimes might be applied too late. Now (within the last ten or twelve years) a preliminary report setting forth the grounds on which the average rent-rates are determined (those rates, *viz.*, upon which the Settlement Officer is to proceed in assessing the land-revenue) is submitted to the Board; and not until their sanction has been accorded to the rates, are the assessments allowed to be formed upon them. But even with this check the business of assessment is so much dependent on the idiosyncracy of the Settlement Officers, that one will be found assessing at a severer standard than another; and even the same officer himself on somewhat different standards at different times. There can, for example, be little doubt that the strong reclamations of a part of the public press against the supposed tendency to under-assess, had the effect at one period of inclining the balance and of leading some officers to press their assessments to a higher point than they would otherwise have done. Again, some Settlement Officers have, as they say, "discounted the coming rise of rent,"—that is, have

pitched their standard rates at a level somewhat above the actual rental of the district, in the expectation that it would rise to the level assumed by them. This has been rightly discouraged by the Board of Revenue. To some extent, indeed, the principle has been admitted,—that is to say, Settlement Officers have been allowed to assume, when in any tract they find a prevailing rate, that exceptional cases of a lower rating will rise to such prevailing standard; and consequently, notwithstanding the exceptions, that the higher, or prevailing, rate may be assumed as the standard of assessment. But the Lieutenant-Governor fears that in some cases the action of the Settlement Officer has gone beyond this principle. For example, in the reports now submitted, Mr. C. H. Crosthwaite states that "he feels sure his assessments are nearer two-thirds than half of the existing assets, *i. e.*, of the rental as they now stand.*" The same is said by Mr. Buck (though perhaps on insufficient grounds) of the assessments of Furruckabad; † so also Mr. Ridsdale admits that his "new assumed rental is" at present in excess of the actual by 18 per cent.‡ On the other hand, the standard of assessment is in some districts admittedly low; as in Budaon, where the revenue rate is Re. 1-3-9 (while in the adjacent district of Bareilly it is Re. 1-14), partly because of the principles adopted by the Settlement Officer, and partly because that settlement was made at a comparatively early period. Again, there are some districts in which the pressure of the assessment, having been made by different officers and at successive times, is heavier in some parts than in others even of the same district; such is the case in Bijnour and Moozuffernuggur. It may be enquired why, under these circumstances, a revision was not set on foot, and greater uniformity of assessment enforced. The answer is simple. The revision of a settlement deliberately made, and provisionally engaged for by the people, involves serious consideration. Where the rates of rent have risen since settlement, revision would hardly be fair, as the rise was enforced by the landlord on the expectation that the Government assessment would stand; and on this ground the Supreme Government agreed with the Lieutenant-Governor in confirming the settlement of Boolundshuhur, though the rates as judged by the present rent-roll are admittedly inadequate. In other cases, lapse of time and the inexpediency of unsettling agricultural interests have dictated the propriety of confirming settlements which might possibly have been rated at a higher demand. In a few cases, as in the eastern half of Moozuffernuggur and part of Jaloun, an entire revision has been enforced by Government; but, as a rule, it has been held inexpedient to disturb a settlement concluded and engaged for, excepting on the strongest grounds. The authority of the Board and of the Government is most properly exercised in controlling and guiding the action of the Settlement Officer while his work is in progress; and in this respect His Honor believes that the Board have not been found wanting. But the re-settlement of three and a half millions sterling of land-revenue, spread as it has been even over twelve or fifteen years, is a gigantic undertaking: and from the nature of the work as above explained, it is certain that there have been great variations in different districts and even in different parts of the same district as to the pressure of the revenue.

* Paragraph 33A.

† *Ibid* 149A.

‡ *Ibid* 159A.

27. It should be here explained that the action of the Board referred to above is irrespective of appeals preferred by individual landlords against assessments, and irrespective also of the general revision of the assessments when they come, upon presentation of the assessment volumes, before Commissioners and the Board. Not infrequently both Commissioner and the Board find occasion to interpose at these stages and to revise the demand, especially where there is any presumption of its pressing too heavily. But this action, as compared with the whole assessments, is exceptional. And indeed, the Settlement Officer himself, by actual inspection and experience of the people and their accounts and antecedents, is *cæteris paribus* in a far better position ordinarily to form a sound opinion as to the proper assessment than any appellate authority.

28. In one point, however, the present re-settlements, and especially those formed within the last six or eight years, are, as a rule, greatly in advance of the settlements made thirty years ago. The materials have been far fuller and more accurate ; and assessments have been effected with greater deliberation and greater attention to detailed local inspection and inquiry. The result is that the assessments are more equal in their incidence, and there is a greater approach than formerly to conformity with the average standard rates. There are exceptions, but His Honor believes that, as a whole, the late settlements fully merit this commendation.

29. But there will unquestionably, as before explained, be in the future a great rise in rent, arising generally from the slow but certain influence of the rise in prices which has already taken place (even if it do not advance still higher); and also from competition ; and further in some places from improved communications. This will be greater in some districts than in others. In districts where the rents have been largely enhanced at settlement to meet the enhanced revenue demand, as in Etawah, Mynpoory and Etah, the future rise will probably be less, and the process, for a time at least, slower than in such districts as Budaon and parts of Bijnour. And as it has been shewn that this rise in assets is irrespective of the exertions of the landlord, it is only right that the State should share in the increase. The problem is, how this shall be done without the demoralizing influences of our present system of settlement,—a system which taxes improvements equally with such other increase, and which induces much discontent by the sudden rise of assessment in individual cases, and the consequent sudden diminution of income.

30. It has been urged that if we resorted to short settlements of (say) five years, the same hardship would not occur, since landlords would be always prepared for a change on their income ; but the Lieutenant-Governor cannot believe that any such retrograde movement could be countenanced. Under the 30 years settlements, these Provinces have prospered in a degree that is quite marvellous, and property has attained a value and permanence which would be altogether undermined by any return to short settlements. Taking it, then, for granted that long settlements will be adhered to, is there no plan by which the fair claims of the

State may be met, and the more patent evils of the present system avoided?

31. It seems to the Lieutenant-Governor that a lesson might be taken here from the Bombay Presidency. In Act I. of 1865 of the Bombay Code, Section 30, it is enacted in respect of future revisions of settlement:—

> "*Such revised assessment shall be fixed, not with reference to improvements made by the owners or from private capital or resources, during the currency of any settlement under this Act, but with reference to general considerations of the value of land, whether as to soil or situation, prices of produce or facilities of communication.*"

32. This principle, of respecting improvements made by the owner, has been laid down in theory in the Settlement directions for these Provinces,* and endeavour is no doubt sometimes made to give effect to it in more marked and exceptional cases; but, as a rule, it is lost sight of, and it is probably impossible under our present system of settlement to give to it anything approaching full effect.

* Despatch dated 13th August, 1851. See also para. 23 of Sir W. Muir's minute dated 15th December, 1861, and No. 37, Saharunpore Settlement Rules.

33. The Bombay plan secures what is wanted. It requires the assumption, first, that, at the time of settlement, a fair amount of development shall have already taken place (such indeed as is already required by Her Majesty's Government as a condition for permanent assessment); and second, that the assessment as then made was as uniform and equable as possible. Under such conditions the causes which may, subsequently to such settlement, affect the value of property, must act generally and equally upon all estates within certain limits; and consequently, a rateable increase of the revenue originally assessed, proportioned to the general advance in value, would be just, because it would deal with all equally, and thus would leave to those who by their exertions and expenditure have especially improved their estates, the benefit of what they have done.

34. One of the elements mentioned in the Bombay law is "prices of produce,"—a point which has been so much canvassed in these reports. It has been erroneously assumed by most of the officers who have given an opinion, that under any such system the scale of prices ranging over a certain period before revision must necessarily be taken as the direct standard of increase; as *e. g.*, where prices are found to have risen 20 per cent. since the former settlement, then the revenue also would be increased, as by a hard and fast rule, by 20 per cent. This however is far from what is intended.

35. The object to be kept in view would be to ascertain whether throughout a Division, a District, or a Pergunnah, or other tract with distinctive characteristics, "the value of land"—*i. e.*, its letting value—had increased. First, all the causes would be looked to which had been operative since the last settlement, in order to judge whether, *a priori*, a rise in value might be anticipated. Among these one important consideration would be rise in prices, but it would not be the only cause; nor would it be assumed

that rise in rent must have borne a direct ratio to the rise in prices. On enquiry it might transpire that the rise of 20 per cent. in prices had brought about a rise of rent of only 8 or 10 per cent.

36. So also with the other "general considerations" contemplated by the Bombay law. A Division, a District, or a cluster of Pergunnahs, heretofore shut out from cheap and ready communication with other parts of the country, may have been opened out since the last settlement by a railway or other new facilities of communication. It would then be a question of fact to ascertain in what ratio the letting-value of land had been by these means enhanced. In combination with the rise of prices, the letting-value might, *e. g.*, prove to have risen 12 or 15 per cent. And the same would be the case with that other element in the rise of rent, competition. The actual rates of rent prevailing would be a matter of fact susceptible of evidence, for which there would be the village accounts and the decisions of the Rent courts, and actual inquiry if necessary from landlord and tenants. The village papers may be expected under this system to be particularly valuable, for if it were known that the village rentals (putwarees' books) were not to be used as the measure of the assessment of individual villages, but simply as the means of ascertaining the general value of land and incidence of rent as applicable to all villages, it is apprehended that the same jealousy of inspection and liability to fabrication would not exist as at present.* There would also be other means available which could not be concealed: as the general selling price of land; if the selling price of land, *e. g.*, had increased by 15 per cent. since the last settlement, it would be presumptive evidence that the letting-value of land had also increased in something of the same proportion.

37. It appears, then, to the Lieutenant-Governor quite possible that under certain favourable circumstances the claims of Government might be met at any future period, not by a revision of settlement as at present conducted, but by the imposition of a rateable increase. The first condition is that the division, district, or tract, shall have been at the time of settlement in a fair state of development both as regards extent of cultivated area and modes of agriculture. The second, that the settlement originally made was carefully and uniformly made in reference to the productive character of the soil and the natural capacities of the several estates. In such a tract, suppose that by the advance in prices, competition and general prosperity, it should be found that the letting-value of land had advanced, say, 12 or 15 per cent. since the last settlement, then His Honor sees no reason why the claims of the State should not be adequately met by an "all round" rise of, say, 10 per cent. in the land-revenue. The amount of the enhancement might also have a direct re-

* NOTE.—Mr. Buck, Officiating Secretary to the Board, advocates that the village records be made more accurate, and be then taken as the basis of future settlements. The Lieutenant-Governor thinks that every endeavour should be used to make these valuable papers in every way reliable; but to adopt them as the basis of future assessment would be the surest means of rendering them untrusthworthy. Mr. Buck's paper is however in other respects valuable and suggestive, and a copy is submitted with the enclosures.

ference to the original pressure of assessment ;—being greater where the settlement was admittedly a light one, and less where the settlement was above the ordinary standard. Under this system it would be quite possible to consider separately and individually all cases of alleged hardship ; and indeed, it might be a part of the system that objectors should have their estates surveyed and settled on their own merits as at present.

38. As an illustration of how the system would work, Sir William Muir may refer to the analogous procedure which took place in the recent imposition of the " ten per cent. cess" which was assessed in many districts prior to re-settlement. The term of the 30 years settlement had expired, and with it the mutual engagement of Government and landlord had ceased and determined. The settlement was open to any conditions Government might deem equitable. In many districts, proceedings for a new assessment could not at once be set on foot : but everywhere the rise of prices and the advance since last settlement of general prosperity had so improved the value of land that it was thought reasonable at once to impose the ten per cent. cess ; and this was accordingly done all over these Provinces. This had the same effect as an enhancement of the land-revenue by a rateable percentage of one-tenth all round. Cases of hardship were treated on their own merits ; and wherever the assets were found not to have increased in the proportion assumed the cess was remitted. The system was found to work well. Now the system here suggested is precisely the same.

39. It may also be noticed that the converse process has been applied with good effect in the case of over-assessed districts. For example, General Sleeman, finding the assessment of Saugor to press injuriously, remitted 10 per cent. all round, and sufficient relief was thus granted without the demoralizing influences of a fresh re-settlement.

40. It may be objected that assessments by this system would not fall uniformly on the land ; and no doubt this is true. Improvement does not go forward everywhere *pari passu* in various estates. In an estate which rapidly improves, the assessment gradually comes to bear a smaller proportion to the assets than in one that remains stationary, or in one that retrogrades : and thus no doubt the pressure of the land-revenue would gradually come to be heavier in some estates than in others. In fact, as has indeed been objected, the assessment of a rateable percentage would press more upon the estates whose revenue was already heavy than on those on which it was light.

41. To this it may be replied in the first place, that an absolutely equal assessment of different estates is possible only in theory. In the best of our settlements the equalization is only approximate. In the next place, it is certain that even under a temporary settlement, the assessment of different estates, if even theoretically equal at the first, soon diverges, from the varying circumstances developed by time, till it becomes heavier in some than in others. This has been well brought out in Colonel Baird Smith's report, where it is urged that such divergence and variation of burden are inherent in property, and are in themselves no real disadvantage.

42. The only disadvantage, indeed, that can be urged against the proposed system is, that the Government could not claim, in respect of each estate, its full share of the enhanced rental; it would not get the last rupee which it might from each single estate.

43. But the State might still get the same, or very nearly the same, increase of revenue upon the whole. Say, that a rateable increase of 10 or 15 per cent. was found to be a fair rise in the revenue demand of any district with conditions such as are above supposed. Instead of this increase being obtained by violent changes in the assessment of individual villages, the revenue of some greatly enhanced, and of others decreased, it would be met by the rateable imposition of the same percentage on all.

44. Now there are two patent and great advantages which would thus be secured. The first is that the exertions of the landlord would be respected and encouraged. Labour and capital, to whatever extent invested, would be safe. They would be exempt from the special taxation to which they are now certainly exposed.

45. The other is that the demoralization arising from the sudden alteration of the landlord's income, already noticed, would be avoided. So long as a sufficient margin is left from which an estate can be managed without deterioration, the absolute amount of profit left to the owner is of far less consequence than the *relative amount as regards past income*. In this view, the half-asset rule often concedes a decrease where it is not really required; here the bounty of Government is not appreciated, and indeed causes a grudge in the minds of those who do not share in it; and, at any rate, it is frequently bestowed where no sufficient object (other than compliance with the half-asset rule) exists for the concession; on the other hand, a large increase of the demand, even if justified by the half-asset rule, may by a rude and sudden stroke destroy the fortunes of a family which had for years been resting upon the former surplus as a fixed income. The system proposed would make the change follow in a certain fixed and known proportion to past income, and would thus avoid the elements of discontent and demoralization which are inherent in our present settlements.

46. It would also add essentially to the value of property. At present, as a settlement draws near its close, the acquisition of land must be felt somewhat to resemble a lottery. It is quite uncertain what the future burdens upon it will be. In so far as the projected system might take effect, the action of the settlement, or at least its mode of action in effecting a rateable change, would be known and anticipated, and that would give a full confidence and security.

47. It is true that this system could not at once be applied to all settlements. In some districts the original settlements may have been made, as in Goruckpore and Bundelkhund, in such a period of backwardness, that a long course of improvement might demand a re-settlement upon the merits of each estate. In others the inequality of the original settlement in different estates might be found so great as to call for an entirely new assessment. But there would still, His Honor feels cer-

cultivated area, and on the culturable area (including the cultivated), is given in an appendix. The variation in these rates will be suggestive of the course that might be pursued.

49. To sum up: when a settlement is within a few years of its close, it would be (under the plan proposed) for the Government of the day to determine whether, from great inequalities of assessment, there should not be a detailed revision of settlement.

50. In some districts, the letting-value of land might be found to have increased in so small a degree, and the original demand to have been so fair, that the settlement might be prolonged for a further period, or indefinitely, without change. While in others, rent might be found to have so advanced, or the standard of original settlement to have been so low, as to warrant the imposition of a rateable enhancement.

51. It may be a rash thing, in view of the unknown changes and developments of the future, to hazard advice to posterity. But these suggestions are the result of considerable reflection; and the Lieutenant-Governor has felt bound to put them upon record for such possible consideration as they may be found hereafter to deserve.

52. Meanwhile, the Lieutenant-Governor thinks that the revised settlements should, as a rule, continue to be confirmed for periods of not more than thirty years.

I have the honor to be,
SIR,
Your most obedient Servant,
C. A. ELLIOTT,
Secretary to Government, N.-W. P.

APPENDIX A.

Letter from C. A. ELLIOTT, ESQ., *Secretary to Government, North-Western Provinces, to* A. COLVIN, ESQ., *Secretary to the Board of Revenue, North-Western Provinces (No.* 1019).—*Dated Nynee Tal, the* 28*th June*, 1871.

SIR,—Referring to a previous correspondence on the subject of the Boolundshuhur Settlement, I am directed to forward copies of a despatch No. 276, dated 26th May, 1871, from the Government of India.

2. It will be observed that the Governor-General in Council has acceded to the views of the Lieutenant-Governor in respect of the practical course to be followed, and His Honor, acting on the permission given in para. 9, has been pleased accordingly to confirm the settlement for 30 years,—that is, to the close of 1888-89. You will be separately addressed in respect of certain estates, the proprietors of which accepted a higher assessment, on the understanding that it was to be permanent.

3. As regards the taking of engagements for cesses, I am to say that the Lieutenant-Governor has requested a re-consideration of the orders conveyed in para. 17, and the result will be communicated to you hereafter.

4. Meanwhile, I am to invite the attention of the Board to the strictures of the Government of India, not only as regards the existing conditions laid down by Her Majesty's Government for conceding a permanent assessment of the land-revenue, but also as regards the established principles of temporary settlements. A few remarks are here offered mainly as indicative of the points on which the views of the Board are invited.

5. *First.*—On the conditions for a permanent settlement.

On 12th February, 1869, the difficulties in the way of applying the prescribed rules for permanent settlement to the Pergunnah of Baghput, Zillah Meerut, were submitted to the Government of India. From various causes the standard of rent was found to be greatly below that prevailing elsewhere. A full jumma, Mr. Forbes showed, would at these rates be about £24,500. The old assessment was £14,800, and Mr. Forbes believed that for the present it could not safely be raised higher than £21,000. His Honor thought that where the full assessment could be imposed within (say) seven years, such full assessment might be assumed as the basis of permanent assessment, on the ground that rents would before long rise in this pergunnah "to the standard prevailing elsewhere."

6. The extraordinary and sudden rise of rents in Boolundshuhur led the Lieutenant-Governor subsequently to take a wider view of the question ; and the subject was discussed in His Honor's minute,* dated 22nd December, 1869, in which instructions were solicited from the Government of India.

* Submitted to the Government of India on 12th January following.

7. It was pointed out that the conditions on which the formation of a permanent settlement was conceded by Her Majesty's Government were defective in not providing for the contingency of rents being at the time of assessment below the prevailing standard. In para. 38 a third condition was accordingly suggested, in addition to the two already laid down by Her Majesty's Government ; and in para. 39 the subject was commended to the consideration of your Board, with the remark that " it might perhaps be possible to lay down some standard of average rates below which no settlement shall be confirmed in perpetuity."

8. In para. 40 it was further discussed whether, under certain limitations, it might not be expedient to make the land-revenue, as settled in perpetuity, subject to revision, if the rise in the price of agricultural produce* should in the course of time exceed a given ratio. In conclusion His Honor said:—"If care is taken that no settlement be confirmed in perpetuity, unless upon adequate rates of rent, and with such a condition as to rateable increase in proportion to increase of prices, the sacrifice of revenue would be mainly limited to what it is legitimate,—namely, the relinquishment of a share in the profits hereafter created by the investment of labour and capital."

*Not simply of "grain," as stated in para. 33 of the present letter of Home Department.

9. On a review of what was thus laid before the Supreme Government, His Excellency in Council has requested that the Lieutenant-Governor " will now re-consider this great question of the permanent settlement of the North-Western Provinces." In complying with this request, His Honor trusts that he will receive the benefit of the Board's advice.

10. In addition to what has been said above, the Lieutenant-Governor will at present only suggest the further consideration whether the transition state, the results of which have been so marked in Boolundshuhur, can be said to have been passed in any part of these Provinces. As stated in para. 21 of the minute above quoted, " under ordinary circumstances (where, at any rate, a revision of settlement is not in immediate prospect), proprietors may be trusted from self-interest to raise the rates as high as cultivating profits, limited by custom, will admit ;" but the process is gradual It is probable that the extraordinary and sudden causes which wrought in Boolundshuhur have been operative in a similar manner (though in various degrees) in other parts of the country. But it cannot be said that the operation has anywhere ceased ; and in some parts (as Rohilkhund and Goruckpore) it is probably as yet in great measure prospective. When the limit has been reached of assertion of his rights on the part of the proprietor as against the cultivator, supported by custom and law, a season of comparative equilibrium may be expected. This of course can be tested only by the lapse of some years. And until this shall have come to pass, it may be unwise to advocate a final fixing of the Government revenue. In reference to these remarks, the

Board will consider whether in their view such an equilibrium has been anywhere reached, or whether, on the contrary, it is not rather to be assumed that the transition period has not been as yet fully passed through in any tract of country in these parts.

11. In para. 31 the Governor-General in Council has further suggested that as an increase of assets from canal-irrigation has been admitted a valid reason for refusing a permanent settlement, so also the introduction of railways, markets, or other public works ought equally to be a bar to permanency. The two classes of causes are, however, essentially different. The one increases produce; the other, under certain circumstances, increases prices. The latter would no doubt to some extent be met by the provision already proposed for allowing a revision of the permanent assessment in districts in which from any causes (such as the construction of railways or other works, as well as from a fall in the value of money) prices might be shown to have risen above a certain ratio.

12. *Secondly.*—I am now to pass to the criticisms of the Government of India on the existing system of assessment as applied to temporary settlements for a term of years. It is suggested that there must be "something essentially faulty in the existing system of assessment." Endeavouring to reduce to distinct charges the various points of objection (some of which are rather hinted at than directly expressed), they may perhaps be assumed as follows:—

I.—The standard of assessment is inadequate, and of proprietary profits excessive.

II.—The State should not suffer in its revenue because certain classes of the ryots are protected.

III.—Government is shut out from profiting by rise of rent within the term of settlement.

13. In respect of the first, it will be observed that the settlement of Boolundshuhur is taken as the normal type of settlements in the North-Western Provinces. It is alleged that Government "is obtaining only about 35 per cent. of the rental of land"; and it is said "that the amount of the revenue is so small, is a consequence of the system of settlement followed generally in the North-Western Provinces; it is not the result of specially faulty proceedings in this particular district." It will be for the Board to show whether such was the case, or whether the inadequacy (the ratio of which is, moreover, overstated*) was not rather the result of causes which happened to be at work in Boolundshuhur with singular activity in the interval which has elapsed since the settlement, and which have affected other settlements in a very modified measure, some perhaps not at all.

* "The miscalculation runs equally through the speech of the Hon'ble Mr. Strachey. It is stated that the present revenue is 35 per cent. of what the full revenue should be: that full revenue being taken on Mr. Daniell's calculation at £141,000. The rental is therefore assumed at £282,000. But the present revenue is £123,000, which is 44 per cent. (and not 35 per cent.) of the assumed rental. The gross rental is believed to have increased about 14 per cent. since the assessment was made, and the full revenue would therefore be, as stated in the Minute of December, 1869, 14 per cent. higher than that assessment. The Government of India seem to have erroneously assumed that this is the same thing as to say that the assessment is less by 14 per cent. than 50 per cent. of the assets, *i.e.*, that it is 36 or 35 per cent. of the rental."

14. The strictures of the Governor-General in Council seem to be based on the failure of the present system to reach potential increase of rent developing subsequent to the settlement, rather than on the inadequacy of the "half-asset" standard. But, as the Board are aware, this standard has been impugned in the Legislative Council, and it will be open to them in their reply to give their opinion as to the adequacy of the standard itself, and the general appropriateness of the assessments resulting from its application.

15. The second objection is thus stated:—"It can hardly be fair that the State should be unable to obtain its fair share of the assets of the land because tenants are well protected, or to say that for each rupee by which the existing revenue falls short of the amount to which the Government is entitled we ought to force the actual cultivator, who may be a tenant with occupancy rights, to pay two rupees to the landlord."

16. It may be observed that the remarks of the Lieutenant-Governor on which this strictᵘre is founded did not refer specially to the case of "protected" ryots, but to a district in which the "prevailing rates" or "level of rent" for all classes was unduly low. It was assumed that these would, by the natural process of self-interest, rise to the prevailing level, or to what His Honor has termed "a fully-developed rental." On this His Excellency in Council remarks :—

"This, however, is a remedy which could hardly be fully applied unless it were admitted that it is desirable, in the interest of the State and of the public, that tenants should pay generally the highest possible rents; that the restrictions placed by law or custom on the power of a landlord to increase his rents, should be done away with, and that the rights of occupancy should cease. The Lieutenant-Governor, whose views on these subjects are well known, would be the last person to approve of any such conclusions."

17. The Board will not fail to perceive that the term "fully-developed rental," as used by the Lieutenant-Governor, has been misapprehended by the Government of India; for His Honor by that expression meant only a rental equal to, and not abnormally below, the average rate of rent paid by similar tracts of land in the same or neighbouring districts, or the average rate which would be reached if certain exceptional causes tending to abate the rental were removed. But such a rental would be limited both by recognized rights, by custom, and by law.

18. His Honor is further, as the Board are aware, of opinion that the existing law does not admit, with sufficient freedom, of rent rising naturally. The protected classes are to a great extent, by Act X., 1859, a law to themselves,—that is to say, the rent of any member of a protected class can seldom be raised otherwise than to the level of the rates prevailing in such class; whereas (in the Lieutenant-Governor's opinion) their rents should be permitted to rise in a ratio having some proportion to market rates. The rule, also, defining protected tenancies is too favourable to the tenant. A project of law for remedying both these defects was proposed by the Lieutenant-Governor some years ago, but, as the Board are aware, was not favourably received by the Government of India. If an enactment, such as was proposed, had been passed, the level of rent would no doubt already have been higher throughout the country, and the Government revenue based thereon also higher.

19. Recurring, now, to the imputation of "essential faultiness in the existing system of assessment," as applying to "protected" tenants, it is not quite clear in what direction His Excellency in Council contemplates a practical remedy. It can hardly be in that of any direct assessment on the protected ryot by the State of an additional demand representing the share of the revenue held back by him, *i.e.*, a partial ryotwaree assessment.

20 His Honor takes the meaning of the Governor-General in Council to be, that where cultivators are protected, and consequently pay lower than market rates, there the revenue should nevertheless be assessed on the proprietor as if full market rates were received by him. It will be for the Board to consider how far the existing rules may be rendered more effective for attaining this object. To a certain extent they do already attain it: that is to say, the "average rates" of prevailing rent are carefully considered, as well as actual rentals, and such rates do already in point of fact influence the assessment. Where, also, there are classes of specially privileged (or *quasi*-proprietary) cultivators intercepting a part of the customary rent which would otherwise reach the engaging proprietor, the revenue is nevertheless assessed at its full rate. If the rules now in force are not sufficiently decisive and explict on this point, it will be for the Board to propose an amendment. But the danger (which will be further noticed below) must be kept in view of assessing upon a theoretical assumption of inadequate rents, whether such inadequacy be assumed to arise from general or from special causes.

21. There is another branch of the question which perhaps deserves attention, namely, the necessity for the deduction of a full half of the assets in the assessment of

large talookdars, and also of imperfectly cultivated tracts. This consideration applies probably with greater force to other provinces than to the North-Western Provinces, but it should not for that reason be left out of sight by the Board.

22. First, as regards large talookas, those parts of the land may be eliminated in which sub-proprietary rights have been recognized: for there the half-asset margin is clearly not more than sufficient to meet the requirements of the double class of proprietors. But where subordinate rights have been stamped out, and a large rental is realized with little risk or expense, it might be questioned whether the sacrifice of half the rental is necessary. The Lieutenant-Governor is not prepared to say that a differential standard could be maintained, especially in these provinces, where such properties are comparatively rare; but as the first principles of our settlements have been now called in question, it may be advisable to consider whether any change is possible or desirable. It should be borne in mind that such estates are liable to disintegration; and that the settlement must be so framed that their component parts, if held separately, shall stand and prosper under the quota of revenue for which they are responsible.

23. Second, backward and partially-developed tracts are rare in these Provinces, and where they do exist to any extent—as in the Terai, Singrowlie, and the Hills—the system is different, the occupants of the soil being dealt with more directly than elsewhere. At the same time it might be well, by way of precaution, with greater distinctness to declare the principle that the rule of settlement at half the assets does not apply to imperfectly cultivated and backward tracts.

24. Before quitting this part of the subject, I am to remark that the real difficulty, as it appears to His Honor, which has been so clearly brought out in the Boolundshuhur Settlement, is not occasioned by the inadequacy of "well-protected" rents; but, on the one hand, by the apprehended inadequacy of the general standard of rent prevailing at the time of settlement, and on the other hand, by the danger of assessing additional revenue on the assumption that the standard of rent will shortly rise (as it actually did in Boolundshuhur) and become fully developed long before the term of settlement closes. His Honor confesses that, for the reasons stated in his minute of 22nd December, para. 21, he cannot see a full remedy. Settlement Officers do even now to some extent assess upon an expected rise of rent where there are evident signs that such a rise is approaching; and it is notorious that a rise in the revenue demand is almost invariably followed by a corresponding rise in rentals. But there is evidently a danger in the general application of any such principle: for frequently, "the measure of anticipated enhancement, or the certainty of any enhancement at all, must, under such circumstances, rest on mere hypothesis; and such assessment upon speculative assets might seriously depress and injure the proprietary interest It would, therefore, be dangerous to allow the assessing officer to leave the hard ground of current standard rates, and, speculating on an expected enhancement, to rate his assessments upon such expectations." Still, under certain limitations, and with the safeguard that now exists of the assumed average or standard rates being first reviewed and sanctioned pergunnah by pergunnah by the Board, some license in this direction might be expressly permitted to Settlement Officers, as, indeed, it is already practically taken by them; and such being the case, it is for the Board to consider whether the principles on which such anticipation of rise in rent is admissible should not be distinctly laid down for their guidance.

25. *Thirdly.*—The third objection appears to be that Government is shut out for a long term of years from the increased value which may accrue to land from causes other than those dependent on the labour and capital of the landholders These are explained in para. 31 of the despatch. That paragraph applies immediately to permanent settlements; but His Honor gathers that, in the view of His Excellency in Council, they apply also to a great extent to temporary settlements, for at para. 25 it is stated that "the reasons which have been assigned by the Lieutenant-Governor for the

opinion that the existing conditions for a permanent settlement are insufficient seem also to apply, to a great extent, to the conditions under which settlements in the North-Western Provinces are made for a term of 30 years."

26. On this subject His Honor would wish the Board to refer to the correspondence between the Board and Government in 1860,* on the question as applicable to increase of assets from canal-irrigation. The liability is admitted in this respect, and will perhaps to some extent be met by the landlord's rate" on the increasing area of irrigation. But, as already noticed, there is a broad distinction between this and the other causes of increased value indicated in para. 31: the former increasing the *produce* in a definite and ascertainable measure, the latter increasing chiefly the *value* of the produce. It will be for the Board to consider whether any such condition as should leave the assessments open to fresh increase of taxation during the term of the settlement, in consequence of the diminished value of the precious metals, or the opening of railways, roads, and markets, would be compatible with the secure and fixed value of property for a term of years which is the cardinal basis of the existing system of settlement. It may be questioned whether the Doab, for example, would have reached to its present prosperity under such a system during the recently expired settlement; for each and all of the causes indicated by the Government of India have successively exercised a direct and powerful effect upon that tract during these 30 years, and each (under the supposed conditions) would have warranted the Government in stepping in and imposing an increase in its demand.

* See Board's address, dated 14th February, 1860.

27. The Lieutenant-Governor has on the present occasion confined himself mainly to indicating the several questions raised by this important despatch. His Honor need not add that he looks with confidence to the Board to consider with earnestness and impartiality the various subjects thus propounded for discussion. His Excellency in Council has himself enjoined the necessity of extreme caution. On the one hand, we have to consider a system which has been built up by the labours of some of the most eminent men whom India has seen; we are bound to confine our suggestions to that which is practical, and which will conform itself to the state of property indigenous in these provinces, and as confirmed or modified by the course of nearly three-quarters of a century's legislation; we are bound, also, to consider the prosperity of the country and its ability to resist misfortune of season; and, above all, to remember that the maintenance of a contented and substantial peasantry and proprietary is a condition that must take precedence of every other. On the other hand, we are bound unprejudicedly to consider whether the Imperial revenues are in any respect unnecessarily sacrificed, and if so, to the best of our ability to provide a remedy. His Honor is sure that the Sudder Board of Revenue will not be found wanting in the proper treatment of this momentous question.

I have, &c.,

(Sd.) C. A. ELLIOTT,
Secy. to Govt., N.-W. P.

APPENDIX B.

District.	Number of pergunnahs in the district.	Number of pergunnahs assessed.	Revenue of former settlement minus cesses.	Revenue of present settlement minus cesses.	*Rate of revenue of former settlement*		*Rate of revenue of present settlement*		Remarks.
					On culturable area.	On cultivated area.	On culturable area.	On cultivated area.	
			Rs.	Rs.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	
Seharunpore	15	15	11,00,679	11,65,559	1 3 9	1 13 0	1 4 2	1 9 5	
Moozuffernuggur	17	15	10,32,721	10,81,215	1 7 11	1 14 9	1 8 2	1 14 4	
Meerut	16	16	18,26,139	21,84 675	1 7 8	2 1 10	1 11 1	2 1 5	
Boelundshuhur	13	13	11,13,685	12,51,658	1 1 11	1 10 4	1 3 3	1 9 8	
Allygurh	14	14	18,48,575	21,46,794	...	2 3 2	2 1 8	2 6 3	Former total and culturable areas cannot be correctly given.
Bijnour	15	15	11,82,020	11,78,901	1 11 1	2 8 3	1 4 8	1 10 1	
Budaon	11	11	9,28,225	10,29,445	0 15 8	1 7 3	0 15 2	1 3 9	
Bareilly	13	13	13,78,320	16,62,669	1 6 3	2 0 1	1 8 10	1 14 0	
Phillibheet	3	3	3,11,362	4,12,052	0 10 7	1 8 1	0 13 7	1 8 10	
Shahjehanpore	12	11	9,40,249	11,21,911	1 2 7	1 11 5	1 4 8	1 10 4	
Furruckabad	16	16	11,25,459	12,46,736	1 8 8	2 2 8	1 8 6	1 14 3	
Mynpoory	11	11	11,21,047	12,76,260	1 12 3	2 2 10	1 12 0	2 1 7	
Etawah	5	4	9,81,478	10,95,953	1 15 7	2 11 11	1 13 11	2 8 8	
Etah	14	14	7,32,461	9,39,220	1 0 7	1 9 8	1 3 7	1 8 6	
Allahabad	14	7	8,06,430	10,37,721	1 13 8	2 3 5	2 3 3	2 11 0	
Jaloun	7	5	5,97,611	5,95,864	1 7 11	2 0 11	1 2 3	1 5 9	Settlement of Pergunnahs Koonch and Calpee have been re-opened.
Jhansie	6	6	5,56,825	4,59,074	...	...	0 12 5	1 3 11	Former areas unknown.
Lullutpore	7	7	1,52,764	1,33,992	...	...	0 2 5	0 7 10	
Goruckpore and Bustee ...	19	19	20,82,599	28,34,183	0 11 5	1 1 1	0 13 1	1 1 7	
Azimgurh	14	7	7,38,894	9,25,587	1 10 2	2 4 1	1 11 4	2 3 5	

C. A. ELLIOTT,

Secretary to Government, N.-W. P.

APPENDIX C.

From J. R. REID, ESQ., *Settlement Officer, Azimgurh, to the Lieutenant-Governor, North-Western Provinces.—Dated Azimgurh, the 26th August,* 1873.

SIR,—Your letter of the 16th reached me on the 21st. Before replying I wished to make inquiry about one or two points, otherwise I should have written to you at once.

As you are aware, the permanently-settled pergunnahs are situated in the extreme east corner of the district. Settlement operations began on the south of the district, and have progressed round it from west to east. Hence it is only lately that we have come near the permanently-settled pergunnahs. Pergunnahs Sikunderpore and Budaon contain only permanently-settled villages, and we have not entered them. Pergunnah Nuthoopore contains 103 permanently and 218 temporarily-settled villages. In accordance with the permission given by you in May, 1872, all the villages of Pergunnah Nuthoopore were surveyed last season (1872-73). The statistical statements, &c., that are required for assessment purposes are now being compiled from the survey records, and I hope to be able to inspect the pergunnah this cold season village by village, and assess the temporarily-settled estates. I shall of course make as careful and elaborate an inquiry as I can into the comparative condition of the two kinds of estates.

What I say below, therefore, is not based on a detailed inspection of a large number of permanently-settled villages. There are a few such villages scattered throughout other pergunnahs besides those named above. Some of these detached villages I have inspected, Rogers has inspected others. Mr. Vaughan, who had charge of the survey of Nuthoopore last cold season, has of course visited many of the villages of that pergunnah. And I have during my stay here made many inquiries from intelligent natives, official and non-official, about the two systems of settlement. The opinions I now state are the expression of the impressions I have derived from these sources.

I at present decidedly believe that there is little difference in the effects of the two systems of settlement upon the land and people.

In many permanently-settled estates in Nuthoopore, Sikunderpore and Budaon, the profits that accrue to the zemindars are, with reference to the land-revenue, very great. Settlement was made when of the culturable area of many villages very little was cultivated. I cannot give you details of area, but the jummas of the following estates will speak for themselves.

The jumma of Talooka Futtehpore in Pergunnah Nuthoopore is Rs. 1,027. The assets now are not less than Rs. 10,000.

The jumma of Talooka Doobaree in the same pergunnah is Rs. 3,571. The assets are not less than Rs. 24,000.

The jumma of Sonadeeh in Pergunnah Sikunderpore is Rs. 51. The assets are at least Rs. 4,000.

Not having the canoongoe and papers of Pergunnah Sikunderpore here, I cannot give you the jumma and assets of the whole of Talooka Awaiyan. But half of the village of Pursia in Pergunnah Nuthoopore belongs to the talooka. Its jumma is Rs. 17-8 and the assets are Rs. 600. The profits from the whole talooka are not relatively so enormous, but they are well known to be great.

Illustrations might be multiplied. These are given because they will be used again.

According to theory one should find estates like these in the most flourishing condition, with all manner of improvements introduced, and zemindars very well-to-do and most liberal to their tenants.

But in fact, in riding through these villages and through the pergunnahs generally, you would not detect anything in the appearance of the people and land, in the number of wells and other means of irrigation, the kind and look of the crops, the size of the houses, the air and condition of the people and cattle—to make you suspect that the zemindars enjoy a different tenure from their neighbours of similar caste and condition in temporarily-settled estates. There is as much capital laid out and industry bestowed on the land in the one set of estates as in the other. It may be said that so much land has been brought under cultivation in the permanently-settled villages because of the permanency of the tenure, I do not think so. In some of the temporary-settled pergunnahs of the district the cultivated area since last settlement only has increased *on the average over the whole pergunnahs* 30 and 40 per cent. And extension of cultivation in this part of the country, where unirrigated crops come to little, means an increase, more or less, in the number of wells. I tried to explain in the letter sent to the Board about settlements to which you refer, that the people in this district generally are so destitute of capital, and the land is so much sub-divided, that large and sudden improvements are not possible, while the pressure of population compels a gradual extension of cultivation and the carrying out of works, such as the sinking of wells, settling of hamlets, and the like, which are necessary to profitable husbandry. There are some rather large proprietors in the permanently settled pergunnahs. But I cannot learn that any one of them has laid out much capital in the improvement of his estate. There are not many in other parts of the district, and with the exception of Mr. Martin, an European grantee, I have never heard of, or seen, any considerable improvements that they have effected. The disposition to improve either in permanently or temporarily-settled estates is not, I suspect, affected by the tenure, and belongs to the individual, not to his class.

I have said that in the permanently-settled pergunnahs are some rather large proprietors. Of these some are hereditary proprietors, others the descendants of persons who purchased at sales for arrears of revenue in the early days of English rule. The condition of the large proprietors is similar to that of large proprietors all the world over: some are well-to-do, others the opposite.

The Talooka of Futtehpore mentioned above was the property of one man. Recently it has been sold at auction, all except one or two villages. The price realized at the sale is far below the value of the estate, simply because there are many mortgages and incumbrances, incurred by the late proprietor, to be paid off before the purchaser can obtain full possession.

The hereditary Talooka of Awaiyan, the property of one man, has also recently passed by sale into the hands of a stranger.

Baboo Deokeenundun of Benares was proprietor by purchase at auction for arrears of revenue of a fine estate in Pergunnah Sikunderpore. A large part of it has been sold in consequence of his mismanagement.

The estate of one of the two surviving sons of the late Gunga Singh, who was the most influential talookadar in Pergunnah Sikunderpore, is irretrievably involved.

No more instances of this sort are needed. Numbers are to be met with in every district, whether permanently or temporarily assessed. The permanency of the settlement, joined with very large profits, no more saves individuals like those mentioned from extravagance and ruin than, independent of large profits, does it make other well-to-do.

A considerable part of Pergunnah Nuthoopore is held by communities. They are *Misr Bhahmans and Muls (or Koonbees).* The circumstances of these communities also vary; the *Misr* and *Muls* of Suknour are very well-to-do. Some of their villages are permanently settled, others temporarily. Their villages, especially those of the Muls, are in excellent order. But as much care is given to cultivation in the temporarily-assessed villages as in the permanently assessed. The villages of the Muls of Sultanpore are temporarily assessed. They are in a high state of cultivation, the people are well-to-do, and the Government revenue is punctually realized. The Muls of Injaulee hold a permanently-assessed estate, and are industrious cultivators. The jumma of the estate, too, is light, yet they are in difficulties, and the revenue is got in with much delay. The village of Sonadeeh, spoken of above, was held by Koour Rajpoots. They hold now only 1½ or 2 annas of the estate. In spite of the enormous profits from the estate, the rest of it has been sold to a number of strangers. It is the same story as is to be heard in the temporarily-settled pergunnahs; some communities flourish, others fail, irrespective of the revenue, and in the permanently-settled pergunnahs apparently irrespective of the tenure.

By law there is a class of cultivators at fixed rates in the permanently-settled pergunnahs which does not exist in the temporarily-settled pergunnahs. There are, I believe, a considerable number of tenants at fixed rates in Pergunnah Sikunderpore. But as to ordinary tenants I cannot learn that they are generally in better circumstances, or are more liberally treated in the one set of estates than in the other. I know no zemindar in this district, whether in the temporarily or permanently settled pergunnahs, who has yielded, or is disposed to yield, more to his tenants than the law requires, and the great majority of zemindars would not yield even that if they could help it. The character of their own tenure under Government does not, I believe, affect their bearing towards their tenants. According to up-bringing and natural disposition, some are harsh, others are gentle; but the zemindar under the one system is necessarily no harsher or gentler than that under the other.

I much regret that I cannot give you a statement regarding the comparative selling price of land in estates of both kinds. The transfer statements for Nuthoopore have not yet been compiled. But it is a matter of notoriety that the price of land in the permanently-settled villages is much greater than in the temporarily settled. The profits being so large in reference to the revenue, it could not be otherwise. In this connection I venture to say that the issue in discussion about the effect of a permanent settlement of the land tax seems to me to be often losely drawn; and if correctly drawn, it is not easy of proof. Suppose that there were a difference for the better in the average condition of land and people in pergunnahs permanently settled, as compared with those that are temporarily settled, it would not follow that the effect is due merely to the permanency of the jumma, independent of the immense profits that a settlement made in a very undeveloped state of the country has enabled the landholders to secure. In permanently-settled estates in which the landholders' share of profits has increased inordinately, a better condition of things as respects land and people might naturally be looked for than in estates of the same tenure in which the profits are less. The more profitable the estate has been, the greater should have been the amount of capital and labour expended upon it. This point would need to be cleared up. Suppose that it were found to be as has been assumed; then, to estimate the effect of the permanency of the assessment alone, it would be necessary to examine the history only of estates of both kinds which started at the same time, under similar conditions of jumma, soil, irrigation, population, &c. This would be no easy task; extension of cultivation and enlargement of profits like those which have taken place in many permanently-assessed estates are not possible in most estates that we may now wish to settle permanently. To calculate the consequences on the land and people of declaring permanent the revised assessment on such estates, we ought to take note of the effect of the permanent settlement in those villages only in which there was little room left for development at the time of the settlement.

The last jummas that I gave out, those of Pergunnahs Kourea and Atrowlea, were well received. The enhancement on the old jumma was over 20 per cent. But the enhancement in Pergunnah Nizamabad was the cause of much outcry, and has, I am very sorry to feel, estranged the people a good deal from me. I am satisfied that I have not taken more than the prescribed share of assets, in many cases I have taken less. But an enhancement of 32 per cent. must cause hardship at first. Had the rule of *russudee* jummas come out in time, I should have used it in Pergunnah Nizamabad. But the revenue has been collected this year, and I fear that again to unsettle the minds of the people would be a greater evil than the hardship that could now be relieved by a *russudee* jumma. How to deal with cases of severe enhancement is a difficult question. The *russudee* jumma rule gives, after all, only a slight alleviation of the landholders' trouble. Government must in many cases be content with less than the prescribed share of the rental. With reference to the circumstances of many estates, I have not taken more than 40 per cent. of it. Even then the enhancement is often great. I most earnestly hope that the people of this district will never again have to pass through another settlement like the present. And in writing to the Board regarding settlement, I said that if the papers which we have now prepared be kept up, a ten-yearly revision of the assessment might be made without much hindrance to progress. I have indicated above why extension of cultivation, so far as it is now possible, is not likely to be much impeded in this part of the country by periodical revision of the jumma ; while carefully framed rules could protect those who had not at the time of revision recouped from the profits of the land any capital laid out upon it.

I have, &c.,

(Sd.) J. R. REID,
Settlement Officer.

APPENDIX D.

Note by E. C. BUCK, ESQ., *Officiating Secretary to the Board of Revenue of the North-Western Provinces, on the maintenance of correct Agricultural Records.*

THE enormous expense which the settlements of districts have of late years involved, as well as the protracted terms which they have occupied, are due not so much to the process of assessing revised revenues as to the necessity which has been found for the thorough recasting of village records and registers, and for the re-measurement of field areas.

The necessity for the expenditure on these two branches of settlement work has arisen partly from the inaccuracy of former measurements and surveys, and partly from the almost entire absence of any efficient system of maintaining correct records from year to year.

The present settlement operations have in some districts already furnished, and in other districts will shortly furnish, a complete and for the time an accurate series of maps and records.

But the records will become useless, and their rectification will periodically entail the same expenditure which has been incurred now (whether the present assessment be of a temporary or permanent character), unless a careful system be introduced of keeping them corrected in accordance with the changes of each year.

Some idea of the cost of the recasting of records may be gained from the following figures :—

Mynpoory contains 10,86,736 acres, and its settlement has cost Rs. 389,496.

Furruckabad contains 11,02,138 acres, and its settlement has cost over Rs. 4,00,000

Settlements consist of three main classes of work,—measurement, assessment, and recasting of records.

Measurement costs nearly Rs. 100 per 1,000 acres, inclusive of officers' salaries, i. e., about Rs. 11,10,000 in the examples given.* Inspection for purposes of assessment costs considerably less than measurement. The charges for measurement and inspection are therefore less than one-half, and recasting of records more than one-half the total cost.

* Mynpoory ...Rs. 1,08 600.
Furruckabad ... „ 1,10,200.

It may safely be assumed that the revision of records has cost not less than two lakhs of rupees for each district, and that for the whole provinces a charge of seventy or eighty lakhs will have been incurred in the revision of records alone.

I am aware that the Board of Revenue have already taken under consideration the question of the maintenance of annually corrected records, and I believe that I am right in stating that Mr. Inglis, when Senior Member of the Board of Revenue, strongly urged the importance of deputing the supervision of village statistics to a special subordinate staff. Mr. Reid, now officiating as Senior Member of the Board, has prominently noticed the whole question in his note on permanent settlement, and has elsewhere insisted on the necessity for giving to the matter the most serious attention.

There is no doubt that there is little hope of maintaining correct annual records without some addition to the present staff of our tuhseelee establishment, but I would also question whether the work to be performed under the superintendence of this special staff will be uniformly and effectively carried out if committed to the charge of a large number of revenue officers, whose action in such matters must always be unequal, and whose responsibility regarding work which cannot, from its nature, be summarily executed, is greatly weakened by the changes which necessarily occur in the covenanted staff of each district from time to time. I feel sure that the present proposals cannot be properly carried out unless the responsibility is concentrated, and I would suggest for the purpose a Junior Secretaryship under the Board of Revenue.

It is a fact that records are not kept up to date at the present time, though stringent orders exist requiring Collectors to correct them. These orders are not carried out, partly on account of inefficient machinery and partly on account of the other reasons stated in the last paragraph, and this is the case even in districts which have lately been under settlement, and in which records were handed over to the Collectors lately reconstructed at an enormous expense.

I advocate the permanent employment of a special officer under the Board of Revenue for the supervision of the maintenance of records, in whom the responsibility should be concentrated.

The work, like that of settlement, is of a separate and special character and complete in itself; it must be carried on doubtless by the *agency* of district officers, but, as in the case of Police and Excise, its performance must be made uniform and its results condensed through a single channel.

I divide the work that has to be done under three heads:—

1*st.*—The supervision of the agency to whom the maintenance of correct village papers is entrusted, with the main object of securing an accurate record of occupation and rents.

2*nd.*—The provision of an annual series of agricultural statistics.

3*rd.*—The efficient instructions of the putwarees or village accountants, who form the working machinery by which the above objects must be attained.

I will give a rough and brief sketch of the method which I think should be adopted for the preparation of annual records.

It is impossible for any village papers to be correctly kept up from year to year without an annual field-to-field visitation on the part of the putwarees or village accountants.

In making this statement, I have the support of a large number of settlement and revenue officers whom I have consulted on the subject. The Punjab rules lately published rightly insist upon the same point.

The basis of the village papers should, then, be a form in which the fields are entered in the order in which they occur upon the map—in settlement phraseology a "khusrahwar" form, and not, as at present, in a form in which the fields are arranged according to their position as part of the cultivator's holding. The latter would be retained, but in a subordinate position. The former bears to the latter much the same relation that a day-book does to a ledger, and it would be just as difficult for a putwaree to enter the constant changes in his village in a jummabundee or ledger form, as for a busy tradesman to enter his receipts directly in his ledger instead of his day-book.

Without a form in which fields are arranged according to their local position, it is impossible to hope for a field inspection from a putwaree, and without a field inspection it is impossible to hope for a correct record.

One of our best Deputy Collectors (Imdad Ali) insists most strongly on this point, and is firmly convinced that if it is not done our records must fall again into utter confusion. I quite agree with him.

The time required for the preparation of such a form will not be great. In Cawnpore each putwaree has about 1,000 fields in his circle, and as I have proved that a good ameen can easily record statistics of 150 fields in a day, a putwaree should certainly be able to manage 100 in a day, at which rate he would complete his circle in 10 days.

The record which he will thus form by actual inspection will be the basis of the whole series of village papers, and it will be the record which will be specially subject to attestation. It will contain the name of the owner and the cultivator of each field, the crop which is growing in it, and the fact of its being irrigated or not.

The examination of the entries in such a record can be made by the testing officer, map in hand, with great ease and despatch, and this is a very great object to secure.

Mr. Reid has remarked that agricultural statistics, if honestly collected, will be useful at succeeding settlements. They will simply be invaluable.

At present, a Settlement Officer, in order to complete the inspection of one district in three or four years, has to make a hasty tour through at least two or three villages each day. Such a rapid inspection merely gives him an opportunity of guessing hurriedly at the capability of each tract through which he passes.

The fraud of zemindars, or the accident of an exceptionally good or exceptionally bad season, may lead him to form completely erroneous ideas of the quality of the land. This circumstance is indeed a strong argument against a permanent settlement at the present time. Our assessments have been made on the basis of rapid inspections and incorrect records. We have had no agricultural information as to crops and irrigation except what has been founded on the data hurriedly noted at the time of measurement. I know this as a Settlement Officer myself, and I have heard many other Settlement Officers say the same. I will give a fact in illustration of my meaning. In the year of measurement 3,000 acres were noted in a certain tract as bearing Indian-corn, which is one of the test crops of good land (for only the best land bears Indian-corn). Next year I employed a special staff to register the crops on the same tract: 6,000 acres were proved to bear Indian-corn.

Again, I have been informed that the revision of some tracts lately settled has been already found necessary, in consequence of the over-estimate made by the Settle-

ment Officer of the cultivated area which was based on existing, but, as it happened, exceptional facts.

The whole of the uncertainty which affects our present assessments to such a serious extent would be swept away by a series of even tolerably accurate field statistics.

It is not the intention of the present proposals to embrace an attempt to secure the ascertainment of real rentals, except as an incidental and subordinate part of the work. The best system could not cope with the collusive concealment of rents where landlord and tenant both agree to put forward a fraudulent rental.

Fraudulent rentals are put forward now, but we Settlement Officers cannot discover which are fraudulent and which true. We have therefore to found our estimate of the agricultural value of each village on facts unconnected with its individual rent-roll. We find that certain classes of land can, and do, in a sufficient number of well-investigated cases, bear certain rates, and we apply those rates to the land of each village and assess on the result.

Our main object is to ascertain the value of land. No evidence is so good for this end as the history of the crops and irrigation of each field for a succession of years, and a trustworthy statement of the average area under cultivation from year to year.

Information on the above points is at present not available. Our hurried appraisements of land are therefore imperfect, and our assessments unequal and unfair. I should be very sorry to see my own assessments made the basis of a permanent settlement, and almost every Settlement Officer I know shares the feeling.

While education progresses, as it must for some time, in advance of morality, it is probable that more and more deceit will occur in the preparation of rent registers, and more and more precautions must therefore be taken to secure a series of agricultural facts on which to base our assessments, especially if at any time they are likely to become permanent.

No landlord or tenant can conceal a growing crop or the mud enclosures which intersect his irrigated fields. These are standing witnesses against him for a period of several months in each year, and afford a perfect test by which the supervisor can ascertain the honesty of the putwaree's work.

Now, if the statistics of crops irrigation and cultivated area for a period of ten years were put into my hands with respect to any village in the Lower Doab, I am convinced that I could sit down and appraise that village more fairly than after one hurried inspection of two or three hours, and a perusal of a rent-roll on which I could not rely.

For instance, if I know that a field has grown sugar-cane every third or fourth year, and has been irrigated every other year for the last 30 years, I form a better idea of its value than if I find it growing a crop of barley, bitten by an exceptional frost in the year of inspection, and paying a recorded rent of one rupee an acre, *i. e.*, about a sixth of its proper rental.

The system which I propose would produce the following results:—

1*st.*—A correct record of occupancy, which would be of much value, and indirectly save much expense, in our Revenue Courts.

2*nd.*—A correct record of agricultural facts which would form a sound basis for future assessment.

3*rd.*—As far as the honesty of the people will allow of it, a continually corrected rent-roll.

With regard to the last point, I have observed that where landlord and tenant collusively join to conceal the rental they can effectually do it, but it happens continually that a landlord who is not on good terms with his tenants is just as anxious as Government can be to have the true rents recorded. In such cases, which are very numerous, it would be both to the advantage of the landlord and Government that a proper scrutiny of the rent-roll should be annually made. I may perhaps go further and say that it is the duty of Government, to whom the landlord pays the putwaree's fees, to see that this is done.

The chief duty of the special subordinate staff whose organization I recommend would be to test the "khusrahwar" record, *i. e.*, the record framed on the ground in each village. The fields in the record being arranged in the same order that they occur on the map (*i. e.*, on the ground), the entries can be rapidly tested and a really efficient check guaranteed by a comparatively small number of supervisors.

The Collector of each district and his staff of revenue officers should be made responsible for the supervision of the subordinate staff of supervisors, a percentage of whose work they should themselves test, while it will be one of the chief duties of a special officer, whose appointment as an agent of the Board of Revenue I suggest, to test the work of each district and see that it is being efficiently and uniformly carried out.

But besides the main results which the suggested system would produce, a collateral effect of no small importance would be obtained.

It is evident that by an efficiently tested registration of agricultural facts on the spot, a vast amount of agricultural information will be made available for the use of Government, which, if properly handled, may become of very great value.

The whole of our administration of an agricultural country like India must be intimately connected with its agricultural circumstances, and it appears to be of importance that Government should be kept continually supplied with the agricultural statistics and facts of each successive year.

In urging the necessity for the collection of agricultural statistics, I need hardly do more than refer to the questions which were asked, but unanswered, after the American war regarding the change in the area under cotton and the character of the crops which had given way to it.

It is true that under special pressure some information has since been collected about cotton, but we are quite unprepared to furnish statistics regarding other agricultural produce such as tobacco, jute, flax, &c., respecting which the Government of India have already demanded information.

It is far from satisfactory to observe from the replies before the Board, submitted by district officers on agricultural subjects, what an utter want of information exists, and what a complete absence there is of available statistics.

The replies which were lately submitted to Government in connection with tobacco, and in answer to questions circulated by Mr. Robinson of the *Pioneer*, indicate that a large fund of practical information may be evoked by intelligent enquiry, but that its value is at present greatly neutralized by the absence of properly tested statistics. I fail to see the logic of an argument which has sometimes been put forward, that because putwarees' statistics always have been worthless, they should always continue to be so. The more worthless they are now, the more reason is there for taking their improvement under serious consideration.

I might point out numerous advantages which will result from the collection of agricultural facts of a reliable character, but I will now only mention one which is of considerable importance:

It is a matter of great moment that Government should be aware of the effect of the introduction of the canal upon the agriculture of a district. When Settlement Officer of Furruckabad I made special enquiries on this point, but was almost entirely baffled by the absence of former statistics. I deplored this at the time in a paper on the subject published in the Revenue Reporter, and strongly urged the careful collection of crop statistics in connection with the canal.

At the same time I showed that the canal had a remarkably disturbing, and on the whole improving, influence on agriculture even in a tract formerly irrigated from wells, and I pointed out the directions in which the disturbance took place, but from the complete absence of crop statistics was unable to define its extent.

At present our ideas on the results of canal-irrigation are founded on mere conjecture, which a series of reliable statistics would enable us to replace by knowledge based on certain and accurate facts.

Agricultural facts and statistics, however well prepared, will however be useless unless they are concentrated and arranged in an intelligent form, and to do this would be the duty of the officer whom I propose should be appointed under the Board, who at the same time that he superintended the proper registration of facts would collate them on a uniform and intelligently directed system.

I have now noticed the results which would be effected by a correct series of agricultural records. But nothing can be done unless the machinery by which they are to be produced is in good order.

Neither correct records can be maintained, nor accurate agricultural statistics prepared, without an efficient staff of village accountants.

The first step which ought to be taken is the education and instruction of putwarees or village accountants.

Orders have been issued over and over again to Collectors of Districts to look after the instruction of their putwarees, but though the matter is taken up now by one Collector, then by another, nothing is systematically or permanently effected.

What is wanted is not so much the education of existing putwarees: unless young they can learn but little. The succession to a post of putwareeship is hereditary, and the method of qualifying a successor is at present on this wise: An old putwaree dies, and his son of 35 (a middle-aged man in this country) comes forward to succeed him. The Collector puts him under a putwaree's teacher for six months, and after two or three perfunctory examinations allows him (perhaps with much hesitation) to pass as a qualified putwaree. The man is really incapable of learning, but he can scrawl the names of his cultivators in hieroglyphics decipherable at any rate by himself, and it would create ill-feeling and be inexpedient to appoint a stranger, who would know nothing about the agricultural history of the village. So the candidate carries off his certificate in triumph, and adds one more to the number of ignorant accountants in whose hands the village records fall into an almost inextricable state of confusion.

What is wanted is to get hold of the coming putwarees when they are young. The children of putwarees, as it is, form the bulk of candidates for putwareeships throughout the country, and it would be easy for district officers to force putwarees to have their children efficiently educated. Government schools exist in sufficient numbers to allow of their being received as pupils, and the Putwaree Fees Fund could afford the payment of a sufficient staff of teachers, if the present number is not enough. No putwaree should be admitted as a candidate for a putwareeship unless he had obtained a certificate of special qualification in prescribed subjects.

The arrangements for the education of candidates cannot be left to the discretion of individual Collectors: this plan has been tried and has failed; they must be brought

under a centralized and systematic organization. The Educational Department seems to me the proper agency to employ for the purpose.

Such a measure would not, I venture to submit, interfere with the hereditary character of succession, if steps are taken to secure that every putwaree's son is sent to school. Should the candidates not all be able to obtain putwareeships, their learning will have done them no harm. The only acquirements really necessary will be the ability to read fluently and to write legibly and easily the Hindi character, and to understand and apply the elementary arithmetical processes. Some practice in tracing fields on the ground from the survey maps would be required, but I doubt if any education in survey would now be wanted. In any case the main object would be merely a thorough education in reading, writing and arithmetic, which most of our putwarees do not at present receive, although it is the wish of Government that all classes should obtain it.

The officer whose appointment I advocate should be made responsible that there is a sufficient fund of efficient scholars upon which to draw for our supply of village accountants, and that in the first place every boy who by family connections is likely to become a candidate for a putwareeship is sent to school.

It may be as well to give a rough estimate of the cost of the required establishment.

I suggest the appointment of at least one supervisor at every tuhseelee or perhaps one for every pergunnah; Mr. Inglis has, I understand, recommended a larger number. There are, I believe, 433 pergunnahs in the Provinces, but as some are very small, I would limit the number of supervisors to 300. Their pay should range from Rs. 30 to Rs. 40, which should be defrayed from the Putwarees' Fund. The monthly allowance for each supervisor, inclusive of contingencies, may be roughly estimated at Rs. 50, and for the Provinces at Rs. $50 \times 300 =$ Rs. 15,000, or Rs. 1,80,000 annually. I may add that the revision of survey now being brought towards a close has provided a large number of men who have received the very training which we require for a supervising staff.

The pay of the Junior Secretary of the Board may be Rs. 1,500, which with contingencies and office salaries would amount to about Rs. 20,000 a year. The total charge would therefore be about two lakhs, or little more than half per cent. on the provincial land-revenue of 385 lakhs.

This expenditure would save a periodical cost of 70 or 80 lakhs in recasting records, would supply our Courts with trustworthy records of occupancy and (as far as the people themselves permit) of rentals, and at the same time furnish a vast fund of reliable agricultural information for the use of Government.

India is an agricultural country composed of a multiplicity of minute holdings, and almost every subject which we take in hand in connection with the administration of the country must be referred to the units of which it is formed. A measure which makes a very slight alteration in the condition of each unit may have a very important effect on the whole country, since what may be termed the atomic changes are combined by an enormous multiplier. It may seem a little thing to ensure the correct record of facts connected with a single field, but when we consider that the country is nothing but a congeries of single fields, the subject assumes an importance which is apt to be lost sight of in discussing the manipulation of a village register.

INDEX.

Number.	Date.	From whom.	To whom.	Page.
...	26th December, 1872, ...	Minute by the Hon'ble J. F. D. Inglis, Senior Member of the Board of Revenue, North-Western Provinces,		1 to 11
...	15th April, 1873, ...	Minute on Pemanent *versus* Temporary Settlement for the North-Western Provinces, by H. S. Reid, Esq., Junior Member, Board of Revenue, North-Western Provinces.		1*a* to 7*a*
...	31st December, 1872, ...	Note by A. Colvin, Esq., Secretary, Board of Revenue.		1*b* to 38*b*
		APPENDIX A		
276	26th May, 1871, ...	Secretary, Government of India, Home Department.	Secretary to Government, N.-W. P.	1A to 14A
...	26th September, 1870,...	Minute by the Hon'ble John Strachey.		14A to 19A
1019	28th June, 1871, ...	Offg. Secretary to Government, North-Western Provinces.	Secretary, Board of Revenue, N.-W. P.	20A to 24A
III.	27th September, 1871,...	Secretary, Board of Revenue, North-Western Provinces.	All Commissioners of Revenue.	25A to 26A
		APPENDIX B.		
...	2nd January, 1872, ...	Report by Settlement Officer, Etawah.		27A to 37A
22	17th Ditto, ...	Report by Collector, Etawah,		38A to 39A
...	16th April, 1872, ...	Memorandum by Offg. Commissioner, Agra Division.		39A to 45A
...	28th March 1872, ...	Extracts from a Note by Settlement Officer, Futtehgurh.		45A to 48A
...	4th January, 1872, ...	Report by Settlement Officer, Futtehpore,		49A to 60A
...	22nd February, 1872, ...	Report by Settlement Officer, Allahabad.		60A to 67A
242	29th March, 1872, ...	Report by Commissioner, Allahabad Division.		68A and 69A
...	30th Ditto, ...	Report by Collector, Cawnpore,		69A to 86½A
3441	17th June, 1872, ...	Report by Commissioner, Benares Division.		86½A to 87¼A
...	24th October, 1871, ...	Report by Offg. Collector, Ghazeepore,		87½A to 88A
...	6th November, 1871, ...	Report by Rae Buldeo Buksh, Deputy Collector.		88A to 91A
257A	4th November, 1871,...	Report by Offg. Collector, Bustee,		91A to 94A
...	29th May, 1872, ...	Report by Settlement Officer, Azimgurh.		94A to 99A
...	Ditto, ...	Report by Moulvie Nuseer Ahmed, Deputy Collector.		99A to 100A
...	18th June, 1872, ...	Report by Collector, Goruckpore,		100A to 104A
...	7th December, 1871, ...	Report by Offg. Collector, Bareilly,		104A to 109A
...	13th March, 1872, ...	Report by Settlement Officer, Budaon.		110A to 112A
...	21st Ditto, ...	Report by Settlement Officer, Shahjehanpore.		112A to 123A
...	6th May, 1872, ...	Report by Settlement Officer, Bareilly.		123A to 137A
...	22nd June, 1872, ...	Report by Settlement Officer, Cawnpore.		138A to 155A

INDEX—(*concluded.*)

Number.	Date.	From whom.	To whom.	Page.
126	24th August, 1872, ...	Report by Settlement Officer, Etah,		155A to 162A
524	28th Ditto, ...	Report by Deputy Commissioner, Jaloun.		163A and 164A
...	12th September, 1872, ...	Report by P. J. White, Esq., late Settlement Officer, Jaloun.		164A to 174A
315	28th August, 1872, ...	Report by Deputy Collector, Etah, ...		175A to 185A
857	7th November, 1872, ...	Report by Offg. Commissioner, Agra Division.		186A to 187A
872	16th December, 1872, ...	Report by Commissioner, Meerut Division.		187A and 188A
493	9th December, 1871, ...	Report by Deputy Collector, Boolundshuhur.		188A to 192A
338	24th November, 1871, ...	Report by Assistant Settlement Officer, Jounsar Bawar,		193A to 196A
...	20th February, 1873, ...	Report by Settlement Officer, Hattrass,		196A to 215A
11	8th January, 1873, ...	Report by Offg. Commissioner, Allahabad Division.		216A to 224A
	13th January, 1873, ...	Report by Settlement Officer, Moozufernuggur.		224A to 231A

PERMANENT AND TEMPORARY SETTLEMENTS,

NORTH-WEST PROVINCES,

1872.

MINUTE BY THE HON'BLE J. F. D. INGLIS, SENIOR MEMBER OF THE BOARD OF REVENUE, N.-W. PROVINCES.

1. THE questions on which our opinion is called for in this Despatch from the Government of India may be broadly stated as follows :—

1*st*,—Whether the assessment of the land-revenue of these Provinces should be made permanent, and if so, under what condition?

2*nd*,—Whether the present standard of assessment, at 50 per cent. of the rental assets, is inadequate, and whether it is right that the State should be shut out, during the term of a temporary settlement, from any share in a rise in rents which may take place?

2. With regard to a permanent settlement of the land-revenue of these Provinces, it may be useful to review briefly the various orders that have been issued by Government from time to time on this subject, since these Provinces first came into our possession; for an impression appears to prevail with many who now discuss this question, that it was first brought forward by Colonel Baird Smith in 1860, and that notwithstanding the orders of Her Majesty's Government in 1862, it is still optional with the Government to withhold or grant the boon on purely financial grounds.

3. I think that a careful consideration of the action taken by Government in this matter since 1801, will show clearly that the Government is bound by a distinct and repeatedly acknowledged promise to grant, sooner or later, a permanent settlement of the land-revenue of these Provinces; and that the only question now open to discussion is whether the conditions that were attached to that promise have been fulfilled or not, and that, if they have, the pledge given formerly must now be satisfied.

Holt Mackenzie, in his Minute dated 1st July, 1819,* says (para. 5) :—

"With respect to the Ceded Provinces, after making the necessary arrangements for the first year of our possession in 1801-2, the Lieutenant-Governor, in a proclamation published on the 14th July, 1802, and which was afterwards incorporated into Regulation XXV. of 1803, announced the following plan for the future settlement of these Provinces :—

"(1) A triennial settlement from 1802 to 1805.
"(2) Ditto ditto from 1805 to 1808.
"(3) A quartennial ditto from 1808 to 1812.

"At the expiration of the above period of 10 years, a permanent settlement was to be concluded with the same persons (if willing to engage, and if no others who have a better claim should come forward) for such lands as might be in a sufficient state of cultivation to warrant the measure, on such terms as the Government shall deem fair and equitable.

"A similar course was prescribed by Regulation IX. of 1805 for the Conquered Provinces, with the necessary variation only as to the years comprised in the several settlements as noted below :—

"(1) A triennial settlement from 1805 to 1808.
"(2) Ditto ditto from 1808 to 1811.
"(3) A quartennial ditto from 1811 to 1815.

* "Selections from the Revenue Records of the North-Western Provinces:" 1818—1820.

In Bundelkhund, the first settlement was confined to the year 1805, after which three triennial settlements were to follow in the 9 years from 1806 to 1815.

"At the expiration of the settlement of 1815, a permanent settlement was to follow on conditions similar to those prescribed for the Ceded Provinces.

"In 1807—that is, in the second year of the second triennial settlement of the Ceded Provinces, and in the second year of the first triennial settlement of the Conquered Provinces, and of Bundelkhund—Government resolved to anticipate the period originally fixed for the conclusion of a permanent settlement. It was accordingly enacted by Regulation X. of 1807, that the jumma, which might be assessed in the last year of the settlement then ensuing, should remain fixed for ever, provided the arrangement received the sanction of the Hon'ble Court.

"The settlements consequently of 1808-1812 in the Ceded Provinces, and of 1808-1811 in the Conquered Provinces, and of 1809 to 1812 in Bundelkhund, were thus to be provisionally permanent, and a Special Commission was appointed to superintend the conclusion of them.

"This arrangement was brought to the notice of the Hon'ble Court in a Despatch dated 31st July, 1807, and again in a Despatch of the 15th September, 1808, when notifying the appointment of the new Commission consisting of Mr. (now Sir E.) Colebrooke and Mr. Deane.

"To those communications the Court replied in a Despatch dated 27th February, 1810, in which they express their determination not to proceed immediately to a settlement of the Ceded and Conquered Provinces in perpetuity, stating further that, before determining on a point of such importance, they would consider it necessary to be fully apprized of the result of the settlement, and to have all the proceedings regarding it before them.

"Again, in a Despatch of the 1st February, 1811, relative to Cuttack, they more distinctly declared their determination, that no settlement shall be declared permanent either in that district, or in any other of the Provinces, *until the whole proceedings preparatory to it shall have been submitted to them*, and the resolutions of Government upon these proceedings shall have received their sanction and concurrence.

"In the Despatches of the 31st August, 1810, and 14th December, 1811, the Government confined itself to the object of removing the general objections stated by the Hon'ble Court. It expressed at the same time a confident persuasion that the information furnished by the Commissioners would entirely satisfy the Court of the expediency of the proposed measure.

"The settlement of Saharunpore, Cawnpore, and Goruckpore had been already (12th February, 1811) submitted to them for confirmation in perpetuity, with a recommendation that partial exceptions should be made on the grounds therein stated.

"A letter from the Court, dated 27th November, 1814, disallowed the permanency of the then existing settlement, and conveyed specific instructions that the revenue of the Ceded and Conquered Provinces should be administered under a renewed lease for a term not exceeding 5 years.

"On the receipt of those orders in 1812, Government rescinded the rules of Regulation X. of 1807, regarding the permanency of the settlement concluded under its provisions, and reverted to the declarations contained in the Regulations of 1803 and 1805."

4. In 1815 * the following instructions were communicated by Government to the Board of Commissioners :—

"In your present report you recommend that the settlement formed of the District of Furruckabad for the year specified be in various instances rendered permanent, under the provisions contained in Regulation IX. of 1812. Judging solely from the sentiments expressed by you, the Vice-President in Council would necessarily conclude, that the zemindars were entitled to the benefit of a permanent

* *Ibid*, page 13, para. 36.

settlement. It appears, however, to the Vice-President in Council that more precise information is required to enable the Government to form a mature judgment of that important question.

* * * * *

"In stating these observations, the Vice-President in Council is satisfied that he is likewise expressing the sentiments of the Hon'ble Court of Directors, who, among other points, observe in a Despatch very recently received from them, that it was for the constituted authorities at home, aided by the information transmitted by the Local Government, to decide whether the land was, or was not, in such a state as to warrant a measure irrevocable in its nature, and involving so materially not only the financial interests of the Government, but the welfare and prosperity of those living under its protection.

"The Vice-President in Council is desirous that it should not be understood by the foregoing remarks that Government attaches less importance than previously to the conclusion of a permanent settlement. His sentiments on that question generally remain unaltered, but his own views of the subject conspire with the sentiments of the authorities at home to render him anxious that such settlement should be formed on the most accurate data possible."

Again the Board of Commissioners, in their report dated 27th October, 1818, say,*—"We shall not enter upon any discussion of the advantages of the measure in a fiscal point of view, although we are fully satisfied of them: because we consider the faith of the Government to have been pledged by the promulgation of the two Regulations above quoted (IX. and X. of 1812), which having been enacted, as we understood, after a full discussion of the question of the permanent settlement with the Hon'ble Court of Directors, was to be carried out as the absolute and final determination of the supreme authorities both in this country and in Europe, at the time of their revoking the more extensive promise which had been held out by Regulation X. of 1807.

* * * *

† "We, at the same time, take the liberty of again expressing our conviction, both individually and collectively, that no measure short of a general permanency to the settlement of the whole of these Provinces will meet the expectations of the landholders, founded on what they consider a solemn promise of Government. Our Junior Commissioner, who formed, as Collector of Bareilly, the settlement originally intended to be permanent, has, in his subsequent superintendence of it as a Member of the Board, been frequently reproached with the breach of the promise held out by him to the landholders on that occasion, under the provisions of Regulation X. of 1807, and on the strength of which they acceded to the great increase then assessed upon them."

† Para. 15.

5. Again—in the Memorandum by Holt Mackenzie, Secretary to the Government of India, which was forwarded with other papers to the Court of Directors, with the Despatch dated 16th September, 1820, by the Government of India (para. 199)—

"It will be seen that the Hon'ble Court, so far back as September, 1803, expressed their opinion that the system of temporary settlement should be followed until accurate information could be obtained in regard to the circumstances, with reference to which a proper adjustment of the Government demand can alone be made."

"In expressing their approval of the measures adopted by Mr. Wellesley, and consequently of the conditional formation of a permanent settlement at the expiration of the period of 10 years, they state their expectation that the necessary information would be obtained in the interval.

"The communications above referred to will be found in the letters noted in the margin, and I mention them particularly because, in the subsequent discussion, it appears to have been generally conceived that the Court had never directly noticed the arrangements adopted on the first settlement

14th September, 1803.
28th August, 1804.

* *Ibid*, page 3, para. 10.

of the Conquered Provinces, and their confirmation of the pledge, held out by Mr. Wellesley's Proclamation, has been assumed from their supposed silence regarding it.

"The letter of the 28th August, 1806, seems to convey as distinct an acquiescense as possible in the scheme of a permanent settlement as promised by the proclamation; and though the expectation is expressed, and might naturally be indulged, that at the expiration of the decennial period ample information would be obtained, yet the expression can scarcely with any fairness be interpreted as conveying an adequate restriction of their concurrence in the pledge to cases in which such information should be before them.

"Even should it be so interpreted, the zemindars might perhaps urge that Government had bound itself to take means of procuring the required knowledge within a reasonable time; that if it failed, the penalty of the failure ought to attach to Government, not to them, since the ground of complaint was equally valid, whether founded on the neglect of Government, or its officers, to put themselves in a condition to fulfil the pledge, or on a direct violation of it.

"The Hon'ble Court have not directly refused to abide by the conditions of Mr. Wellesley's Proclamation. They have urged, however, that from the general and indefinite terms in which that proclamation was expressed, it can scarcely be held to have pledged them to any specific course of proceeding.

"On this point the words of the general letter, under date the 17th March, 1815, will best explain their sentiments: —

"We showed in our Despatch of the 16th March, 1813, that by Regulations XXV. of 1803, and IX. of 1805, and consequently by Regulations IX. and X. of 1812, which went to revive the provisions of the two former Regulations, the precise point of improvement was not determined at which a permanent settlement of the lands in the Ceded and Conquered Provinces would become expedient or even justifiable, and that it could not be determined by any prospective Regulation; that the question was left completely open for the future exercise of the judgment of Government, and that there was nothing in those Regulations by which its decision could or ought to be in the smallest degree fettered; and that it was for the constituted authorities at home, aided by the information transmitted by the Local Government, to decide whether the land was, or was not, in such a state as to warrant a measure irrevocable in its nature, and involving so materially not only the financial interests of the Government, but the welfare and prosperity of those living under its protection; and that by a decision in the negative, supposing even the decision to be universal in its application, the obligations of public faith would not be at all infringed.

"This argument, however, the Hon'ble Court will not probably on reconsideration be disposed to carry to the full extent which the wording of the paragraph would imply.

"It can never be their meaning that Government should avail itself of the terms of its engagements, to render all its stipulations nugatory.

"Government has, indeed, by the condition of the pledge, reserved to itself a certain latitude in regard to the extent of its application, but is clearly bound to make the application in cases obviously falling within its scope.

"This view the Hon'ble Court appear to have themselves adopted in other parts of their correspondence. They will, however, and apparently with justice, urge that the proclamation in question containing no absolute restriction as to the period at which the selection is to be made of those estates which may be admitted to permanency, Government is entitled to postpone its determination until it shall have before it the information necessary to form its judgment on ascertained data, and that the public faith is substantially preserved, if in cases falling under the scope of the proclamation the jumma fixed at the period therein indicated be continued unaltered.

"The terms of the promise held out in the proclamation in question were as follows :—

"At the end of these 10 years, a permanent settlement will be concluded with the same persons (if willing to engage, and if no others who have a better claim come forward) for such lands as may be in a sufficiently improved state of cultivation to warrant the measure, on such terms as Government shall deem fair and equitable."

The above terms obviously imply two conditions :—

1*st*,—That Government shall have sufficient information in respect to the general condition of the lands as to cultivation.

2*nd*,—That it shall be satisfied of the adequacy of the jumma assessed as compared with that which Government is entitled to demand from the actual assets, and the absence of any gross fraud or error."

6. Then again—in a Minute dated 24th May, 1820, by Mr. Adams, Member of Council (page 202)—

"It is agreed on all hands, in this country at least, and will not I apprehend be denied by the Hon'ble Court, that the Government is pledged to impose, sooner or later, a limitation on the public demand from the land in the Ceded and Conquered Provinces, and that the immediate question for consideration is not the expediency or otherwise of such an arrangement generally; but whether the proper period for declaring that limitation is arrived, or, in other words, whether the country has reached that stage of cultivation, which will, in the spirit of the original engagement, entitle the landholder to be left in the enjoyment of the further fruits of his industry, without any direct participation in them by Government.

"But however urgent the obligation on us towards the landholders in these valuable and extensive Provinces, we are bound by one of no less force towards the authorities in England, whose right to reserve in their own hands the final decision of these important questions I freely acknowledge. Indeed, I consider the interposition of the Hon'ble Court in time to prevent the completion of a permanent settlement, under the provisions of Regulations IX. and X. of 1807, to have been productive of a great and lasting benefit—not only on account of the large increase of revenue which has since been obtained, but by preserving the Government and the people from the manifold errors of a settlement made under the avowedly defective information that prevailed at the time, and which no care and ability on the part of the instruments employed in forming it could have avoided. The effects of a similar precipitancy in the permanent settlement of the old Provinces have been too severely felt, not to make us rejoice at having escaped a similar failure. I trust that through the means afforded by this fortunate delay, we shall have it in our power to affect an equitable and comprehensive settlement, founded on a greatly improved knowledge of the real resources of the country, if the various and complicated rights, tenures, and interests of the agricultural population, and providing equally for the permanence of the resources of the state, and the security and welfare of that valuable and important class of our subjects. The imputed delay of justice will then have been converted into a source of real happiness and prosperity to the country."

7. Sir J. Colebrooke, Member of Council, in a Minute dated 12th July, 1820, says (page 205) :—

"In the Minute which I laid before the Hon'ble Board on the 17th March, suggesting the expediency of some early measures for giving effect to the promise of a permanent settlement in the Western Provinces, I confined myself wholly to the question of limiting the Government demand for the land, without any reference to the rights of the parties with whom the engagements for such limited demand should be made; or, in other words, to the question of the permanency of the assessment as between Government and the country at large, distinct from the question of the permanency of the settlement as between individuals holding, or claiming to hold, a right to engage. The two questions are in fact so entirely distinct, that either of them may be fully considered

and finally decided without any reference to the other—that is to say, the present assessment might be declared permanent, without any enquiry into or decision on the rights of the parties with whom the settlement is to be made; and, on the other hand, these rights could be finally set at rest, although the assessment should continue temporary.

"But as the Hon'ble Court have so far blended these two questions, however distinct, as to have determined on withholding their assent to a limitation of their own demand on the country—not only until satisfied of the accuracy of the information on which the present assessment is deemed to be as high as the country can bear, but also until they shall have acquired a thorough insight into all the intricacies and anomalies of the several tenures, and even until they shall have before them a full explanation in regard to the rules and adjustment of rent and leases between landlord and tenant, and the relative rights and privileges of these several parties, it may be presumed that any arguments applicable to the question of assessment only are not likely to elicit now their sanction so long withheld."

Also Mr. Fendall, Member of Council, in a Minute dated 29th August, 1820, page 210, says:—

"With reference to the papers in circulation relating to the settlement of the Ceded and Conquered Provinces, it must, I think, be admitted that Government is pledged sooner or later to conclude a permanent settlement of these Provinces, and that the landholders look forward with great anxiety to its completion is evident from the Minutes recorded by Sir Edward Colebrooke; but whether the information in the possession of the Board on this very interesting subject is sufficient to warrant a conclusion, that the rights of the several descriptions of landholders are so clearly defined as to prevent the probability of their being injured, or that their estates have arrived at that point of cultivation when a permanent settlement may with safety be concluded, appears to me extremely doubtful."

8. And, in the Despatch from the Government of India dated 16th September, 1820 (page 211), on the same subject—

"It is then our unanimous opinion that the system of a permanent settlement of the land-revenue, either upon the principle of a fixed jumma, or of an assessment determinable by a fixed and invariable rate, ought to be extended to the Ceded and Conquered Provinces as soon as it may be practicable fully to ascertain, and accurately record, the value and capabilities of the individual mehals to be assessed, and the rights and privileges of the various classes having an interest in the land, and to frame such provisions (founded on the ascertained usages of the country) as shall appear necessary for their future security.

"We are equally unanimous in opinion that the extension of a permanent settlement to the Province in question, without a minute investigation of the nature above indicated, would involve the risk of considerable sacrifice of revenue, and the still more serious evil of putting in jeopardy the rights and properties of a large body of your subjects.

"It is therefore our anxious desire that the settlement should be made deliberately, village by village, and that there should be united, with the revision of the assessment, and the investigation of the extent and produce of the lands belonging to each village, the object of ascertaining and recording the fullest possible information in regard to the tenures by which land is held, and the rights, interests, and privilege of the various classes of the agricultural community."

9. These discussions resulted in the enactment of Regulation VII. of 1822, passed with the object of enabling Government to obtain "that full information regarding the value and capabilities of the individual mehals to be assessed, and the rights and privileges of the various classes having an interest in the land," which the Court of Directors considered necessary before a permanent assessment could be extended to these provinces.

10. The first settlements under Regulation VII. of 1822 were based on an attempt to determine the amount of the State demand by a calculation of the gross produce, the cost of cultivation, and the net yield of every field. But it being found impracticable to carry out this system, Regulation IX. of 1833 was passed, which repealed "so much of Regulation VII. of 1822 which had been understood to prescribe that the amount of jumma to be demanded shall be calculated on an ascertainment of the quality and value of actual produce, or on a comparison between the cost of production and the value of produce," and the settlements now being revised were based chiefly on the rents actually paid. But the provisions of Regulation VII. of 1822 (which required the preparation of a record, "the rights, interests, privileges, and properties of all persons and classes, owning, occupying, managing, or cultivating the land, or gathering and disposing of its produce, or collecting or appropriating the rent or revenue payable on account of land, or the produce of land, &c., information which the Court declared to be a necessary preliminary to the extension of the permanent settlement) were carefully carried out, and we have now the complete record of all these rights and interests.

11. After this the question of the permanent settlement of these Provinces was allowed to rest till 1860, when it was revived by Colonel Baird Smith, and ultimately, after considerable discussion, the Secretary of State for India announced, in his Despatch dated 9th July, 1862, that it was the deliberate intention of Her Majesty's Government, after a full and careful consideration of all the arguments for and against the measure, to grant under certain conditions a permanent settlement of the land-revenue demand in the North-West Provinces.

The grounds on which this determination had been come to are thus stated :—

"Her Majesty's Government entertain no doubt of the political advantages which would attend a permanent settlement. The security, and it may also be said the absolute creation of property in the soil, which will follow from limitation if in perpetuity of the demands of the State on the owners of land, cannot fail to stimulate or confirm their sentiments of attachment and loyalty to the Government by whom so great a boon has been conceded, and on whose existence its permanency will depend.

"It is also desirable that facilities should be given for the gradual growth of a middle class connected with the land, without dispossessing the peasant proprietors and occupiers. It is believed that among the latter may be found many men of great intelligence, public spirit, and social influence, although individually in comparative poverty. To give to the intelligent, the thrifty, and the enterprising, the means of improving their condition, by opening to them the opportunity of exercising these qualities, can be best accomplished by limiting the public demand on their lands. When such men acquire property, and find themselves in a thriving condition, they are certain to be well-affected towards the Government under which they live. It is on the contentment of the agricultural classes, who form the great bulk of the population, that the security of the Government mainly depends. If they are prosperous, any casual outbreak on the part of other classes, or bodies of men, is much less likely to become an element of danger, and the Military force, and its consequent expense, may be regulated accordingly.

"The strongest opponent of a permanent settlement would probably admit the political and social advantages of such a measure."

12. Thus then, in 1862, it was authoritatively announced by the Government of India to the landholders of these Provinces, that Her Majesty's Government had at length decided on granting the boon distinctly promised to them more than half a century before.

13. The argument now urged by the opponents of the measure against the fulfilment of the promise made in 1801, and which—to quote Mr. Adam's words in his Minute dated 24th May, 1820—"was acknowledged by every one in this country, and not denied by the Court of Directors," and which was repeated and confirmed by Her

Majesty's Government in 1862, rests solely on the loss which may hereafter be entailed on the State, if it deprives itself of the power to claim a share in the increased rentals, which it might otherwise obtain, on a revision of the settlement now in progress, thirty years hence.

14. I contend that this is an argument which cannot be pressed, if we have any care for the good faith of our Government.

The promise made in 1801, and afterwards incorporated in Regulation XXV. of 1803, was in these words—

"At the end of these 10 years a permanent settlement will be concluded with the same persons (if willing to engage, and if no others who have a better claim come forward) for such lands as may be in a sufficiently improved state of cultivation to warrant the measure, on such terms as the Government shall deem fair and equitable."

The conditions implied being—

(1) That Government shall have sufficient information in respect to the general condition of the lands as to cultivation;

(2) That it shall be satisfied as to the adequacy of the jumma assessed, as compared with that which Government is entitled to demand from the actual assets, and the absence of any gross fraud or error.

15. It is true that the fulfilment of this promise has been postponed from time to time, on the ground that the Government was not in possession of that full and precise information regarding the cultivation of the land, and the right of the occupiers, which would warrant final effect being given to it; but now, when no one will deny that we have the fullest and most complete information on these points, to urge that the promise should never be fulfilled, because there is some reason to think that in future years the profits from land may increase, owing to the increased prosperity of the country under our rule, is to add a condition to the promise which was never thought of when it was made, and is nothing else than to propose that we shall repudiate our promises altogether, if we find it inconvenient to keep them.

16. It may be urged that the promise made, when we first got possession of the country, was made to a generation that has passed away, and that all recollections of it has faded from the minds of the people. Though even if this were so, it would not, in my opinion, be any reason for not carrying it out when the proper time came for its fulfilment. But the promise has not been forgotten; many of the zemindars in Rohilkhund still retain in their possession the sunnuds given them in 1805, in which the promise is distinctly recorded. But even if the promises made in former years have been forgotten, that made in 1862 by Her Majesty's Government is still fresh in the recollection of the people, and will not quietly pass away from their remembrance.

17. I think, too, that the argument against a permanent settlement, based on the loss which such a measure may hereafter entail on the State, is open to question; but at all events too much importance has been attached to it.

It is true that the settlements now in progress show a large increase on the rentals of estates since last settlement; but to argue from this that a similar increase will be found to obtain at the next revision is, I think, assuming more than the facts before us warrant.

The increase shown in the present rentals of estates, as compared with those of the last settlement, is owing to two causes—

(1) To the extension of cultivation;

(2) To the substitution of competition for the old customary rents.

Very little increase in the area under cultivation can be expected in those estates to which the conditions laid down for a permanent assessment apply: nor will the rents on which the revised assessments are calculated increase to any large extent.

The revised assessments are based—not on the customary rents previously paid in the estate, as the old settlements were, but on the competition rents found to prevail in the tract under settlement. So that landlords are forced, if cultivating their own land as the majority do, to pay revenue on the full competition rent leviable on the land held by them : or if cultivating by tenants to enhance their rents up to their standard.

The increase shown by these competition rents over the old customary rent is owing to the rise in prices during the last 10 years, caused partly perhaps by the increase in the population, but principally by the failure of the harvests of 1860-61 and 1868-69.

Whether prices will maintain their present level is, I think, extremely doubtful, and I look with no little apprehension on some of the settlements that have been made on their assumption ; but even if prices do rise to a small extent, it does not follow that rents will rise also. They will certainly not rise much above the competition standard now forced. A rise in the price of produce means increased cost of living to all classes, and affects the classes connected with the land, specially by the increase in the cost and keep of cattle for agricultural purposes ; and consequently diminishes the profits from which rent is paid.

But whether I am correct or not in doubting whether a revision of the assessments of these Provinces, 30 years hence, will yield any considerable increase in revenue, I am most decidedly of opinion that the political advantages to be gained by a permanent settlement of the land-revenue of these Provinces, would far outweigh any loss the Government may hereafter sustain in consequence.

19. The advantages of a permanent settlement of the land-revenue are thus summed up in a Note dated 15th December, 1861, written by Sir William Muir, then Senior Member of the Board of Revenue :—

(1) Saving of the expenditure now incurred by the necessity of periodical assessment.

(2) Deliverance of the people from the vexations prevalent at every resettlement.

(3) Freedom from the tendency to depreciation of property towards the close of each temporary settlement.

(4) Prosperity arising from increased incentive to improvement and expenditure of capital.

(5) Greatly increased value of landed property.

(6) Content and satisfaction among the people.

The sixth and last is, in my opinion, the all-important consideration. It must not be forgotten that our position in this country is very different from what it was 20 or 30 years ago. By the annexation of many Native States, and, by the improvement which has taken place in the government of those not annexed, we have lost the advantages we formerly enjoyed from the contrast between the condition of the people under our rule, and those living in the Native States on our borders. If, by a permanent settlement of the land-revenue, we could make the large and influential agricultural class contented, and secure their loyalty and attachment to our rule, any probable prospective increase of revenue at a future revision of the assessments would be well sacrificed. That a permanent settlement of the land-revenue would go far towards the attainment of this end is not denied even by those who are opposed to the measure on financial grounds : they allow the benefit, but think that it would be too dearly purchased. But when we consider the effect on a district of a revision of the Government demand, of the ill-will, discontent, and irritation caused by the enhancement of revenue and rent which accompany it, and bear in mind that the only argument relied on by those who advocate a temporary instead of a permanent settlement of the land-revenue, is the hope of a still further enhancement of the Government demand at the next revision—an enhancement which can then be looked for only from a rise in rents brought about by a

rise in prices, which means increased difficulty of living to all classes, I cannot but think that it would be wise to forego this purely financial advantage, in consideration of the many evils our experience of the past shows that it is accompanied by.

20. But scarcely any stronger argument in favour of a permanent settlement of the land-revenue could be adduced than that which is furnished by the Despatch from the Government of India, to which we are now required to reply. Some twenty-five years after the Government has publicly proclaimed to the people of these Provinces that it will, for the future, demand only 50 per cent. of the assets of an estate as the Government share; after more than three-fourths of the districts have been settled on this principle—after a large amount of capital has been expended in the purchase of land on the faith of this declaration—we are now called upon to say whether this share of the rental assets is not inadequate; whether more addition to it should not be made; and the profits left to the proprietors proportionally reduced. In other words,—Whether the value of all landed property in these Provinces should not be diminished. Surely nothing could possibly be more injurious than the discussion of such a question as this; and any measure that would finally and for ever put a stop to such questions being raised would be a wise and politic one.

21. Thus, whether we look upon the permanent settlement of the land-revenue of these Provinces as one to which the faith of the Government has been repeatedly pledged, or whether we look upon it as a question brought forward for discussion for the first time now, and consider merely its political expediency, I am convinced that every consideration goes to show conclusively that the time has come when a permanent settlement of the land-revenue demand on all estates which fulfil the required conditions should be granted; and that the only matter now open for discussion is, the conditions to be laid down as necessary to entitle the holder of an estate to demand the boon.

22. The conditions under which a permanent settlement might be granted to any estate have been laid down by Her Majesty's Government. They are as follows:—

(1) No estate shall be permanently settled in which the area under cultivation amounts to less than 80 per cent. of the culturable or *malgoozaree* area.

(2) No permanent settlement shall be concluded for any estate to which canal-irrigation is, in the opinion of the Governor-General in Council, likely to be extended within the next twenty years, and the existing assets of which would thereby be increased in the proportion of 20 per *cent.*

23. To the first condition no objection can be made: it is in accordance with the terms of the proclamation issued in 1802, and with the orders of Her Majesty's Government issued in 1862.

But the second condition, which was added in 1866, is, I think, a mistake: it is now unnecessary.

24. It was a mistake because it deprived the measure of its general application, and thereby took from it nearly all its advantages. Under the operation of this condition only those few estates scattered throughout the various districts of the North-West which are already irrigated up to their full extent, can claim permanent assessment. None of the advantages which induced Her Majesty's Government to grant the boon can be hoped for when its application is thus restricted; no political advantages can be gained from settling in perpetuity a few isolated estates, while the majority are liable to revision of settlement.

25. The condition has, however, been rendered unnecessary by the provisions of the New Canal Act, which enable Government to levy a landlord's rate on all land not assessed at irrigation rates, to which canal-irrigation may be extended after settlement.

26. I would therefore strike out this condition, and replace it by one to the following effect:—

"That permanent settlement shall not be granted to any estate in which the general rent-rate, on which the assessment is based, is below the level of rent throughout the country for similar land, with similar advantages."

This is a condition which the Government is fairly entitled to demand, and is in accordance with the terms of the promise made in 1802, which, as stated by Holt Mackenzie in his Minute dated 1st July, 1819, implies "that the Government shall be satisfied of the adequacy of the jumma assessed as compared with that it is entitled to demand."

27. It may doubtless be impossible to lay down any general standard of average rates below which no settlement shall be confirmed in perpetuity, which should secure Government from any possible loss of revenue it might obtain at some future period; in other words, to lay down now a standard, above which it could be positively and certainly affirmed that rents would at no future period rise. But though this cannot be done, it is quite possible to lay down a standard which would be fair to the Government and the people, and which, while it would allow the extension of the boon to the greater part of these Provinces, should exclude such backward tracts as Baghput, and any district circumstanced as Boolundshuhur was, when the present settlement was made.

28. I have written this Note somewhat hurriedly having to leave for Calcutta immediately: and have no time now to consider the other questions affecting the assessment of the land-revenue of these Provinces, raised by this letter from the Government of India.

26th December, 1872. J. F. D. INGLIS.

MINUTE ON PERMANENT *versus* TEMPORARY SETTLEMENT FOR THE N.-W. P., BY H. S. REID, ESQUIRE, JUNIOR MEMBER, BOARD OF REVENUE, NORTH WESTERN PROVINCES.

QUESTION I.
Possibility of Standard rent-rates.

1. I BELIEVE that it is not possible to lay down a standard of average rates below which no settlement shall be confirmed in perpetuity. All the officers whose replies are before the Board pronounce against the possibility of fixing any such minimum standard rate. Their arguments have been admirably analyzed in Mr. Auckland Colvin's Note. Of no one district can it be said that the rent-rates of that district may not rise, and that very considerably. There may be no culturable waste; that is, the maximum of possible cultivation may be reached. The whole area irrigable from natural sources may be irrigated, while any increase in the Government demand which may hereafter be due on account of additional canal-irrigation may be realized by means of the landlord's rate of the new Canal Bill. But the uncertainty which hangs over the subject of the future rise or fall of rent-rates forbids, in the face of the position which the State occupies with respect to the landholder, any attempt at the introduction of a permanent settlement under which the future interests of the State shall be duly protected. It is not possible to predict the future history of the prices of agricultural produce. Nor is the connection between the rise in rents and the rise in the prices of agricultural produce so intimate as to justify the determination of standard permanent rent-rates based on the ascertained rise in the prices of wheat, barley, and other staples. Whether high prices may be due to a fall in the value of money, or to bad seasons, or to a larger demand, it is impossible to say whether this rise is permanent, or whether prices will rise or fall, and to what extent. No officer can say that the current rent-rates in his district are not susceptible of enhancement. It may, on the other hand, be reasonably assumed that rents will rise, though to what extent it were foolish even to attempt to conjecture.

2. It must be remembered that it is not always either the landlord, or the tenant, who benefits by high market rates of grain. The cultivator is in the hands of the village grain merchant. The advances made by the last are made in kind and at rates prevailing when grain is dear, and repaid with very high interest in kind, at the cheap harvest rate. Neither landlord nor tenant can get on without the village *bunnya*. The former looks to him for an advance wherewith to pay the Government revenue; the latter, who lives from hand to mouth, must borrow from him the very seed wherewith to sow his fields. The larger proportion of the grain, which is sold in the market has reached the hands of the merchant at rates very much below the market rates. I do not maintain that the grain-producers are not to some extent benefitted by a rise in prices, but I do hold that that rise does not always place the cultivator in a position to pay an enhanced rent.

3. That these Provinces are in a "transition state" cannot be denied. The agricultural resources of no one district can be said to be "fully developed." As Mouluvee Nuzeer Ahmed, Deputy Collector of Azimgurh, puts it,—"One may be led to think that by the extension of railroads and canals over hundreds of miles, both the productive power of the soil and the value of the soil, and the value of the produce, have reached their height, but the question is—are the present roads and canals up to the requirements of the country? None can deny that they are not. Besides, there is still a great deal to be done in the material improvement of the soils, the manner of cultivation, the introduction of better staples, and the employment of new instruments to save time and expense. I therefore should like the permanent settlement to be discussed no more, at least for the present generation." All these conditions enumerated by the Mouluvee must enter into the determination of rent-rates. Until they are fully developed, rent-rates cannot be. Mr. Elliot Colvin's remarks are to the point:—"The material improvement and development of the *pergunnahs* (of the Pillibheet sub-division) will gradually take place, and

in their train will come a rise in rents infinitely greater than any which has yet occurred and the rise in the rental within the last 30 years has been estimated at 76 per cent."

4. The greater the quantity or the greater the value of the produce of any parcel of land, the higher rents the land will bear. As Mr. Buck has shown in his excellent letter, the causes affecting the quantity of the produce may raise the rental of the District of Furruckabad 21 to 56 per cent., while causes affecting the value of produce or the profit of cultivators may act on prices, and therefore rent-rates to an indefinite extent.

5. One remarkable result of increased facilities of cheap and easy irrigation is seen in the Moozuffurnuggur District, and must be found elsewhere. Wherever there is irrigation, flush or lift, from a canal, the well cattle are available for other agricultural operations, and the result is high farming, and on higher farming must follow higher rent-rates.

QUESTION II.
Permanent Settlement based on grain commutation.

6. The arguments of the officers who are adverse to the commutation scheme proposed by the Government of India appear to me to be unanswerable, while the opinions in favor of it are by no means decided. I myself believe the scheme to be both impracticable and highly impolitic. I do not see how it could be carried out. What staple should be selected, while the name of the *khurreef* and *rubbee* crops is legion, and the rise in the price of the staple would be no gauge of the rise in the price of other grains. It has been very clearly shown by our Settlement Officers, that the rise in rents follows a rise in prices by a very long interval. The *zemindar* pays the Government demand from rent which has been very little affected by the prices ruling even in adjacent markets. Bad harvests raise prices, but bad harvests cannot justify enhanced assessments. This point has been well put by Mr. Crosthwaite and Mr. Patterson (to whose letters I would refer). Mr. Patterson acutely observes that in England high prices are a sign of agricultural prosperity; here they are frequently a sign of enormously diminished produce, and of great agricultural depression.

7. Mr. Auckland Colvin has refuted Mr. Wynne's theories. J. S. Mill, Mr. Wynne's prophet, is writing of cottiers in Ireland, not *quasi* cottiers holding land in the North-Western Provinces. In these Provinces extension of irrigation raises rent: in Ireland, increase of population. The Indian ryots, especially in canal-irrigated districts, do not breed and multiply like Irish cottiers. But in the absence of all competition, the result of increased population, these ryots are ready to and do pay enhanced rents owing to the largely increased outturn, or greatly improved quality of the crops they grow with the aid of canal water. But whether it is to increase of population or to increase of irrigation, or to rise in prices of agricultural produce, that a rise in rents is to be attributed, prices do not govern rents; and as the Government take from the landlord a certain portion of the rent which he realizes from the cultivator, the Government demand cannot be regulated periodically by the prices of agricultural produce. Mr. Colvin has pointed out that the Government are not dealing in these Provinces, as in Madras, with the cultivating occupants of the soil. The second question resolves itself into this:—"Record your opinion in regard to the expediency of a permanent settlement based on adequate rates of rents (which rates all the officers consulted profess their utter inability even to conjecture), but subject to the conditions of a rateable increase of revenue in proportion to an (utterly irrelevant) increase of prices."

8. The people of India do not look at the question of permanent settlement through spectacles of the political economist. They will not understand that there is nothing really permanent in an assessment fixed in money, the value of which goes on steadily diminishing or changing. They will call an assessment at Rs. 500 fixed in perpetuity a permanent assessment, but not so a *jumma* of Rs. 500 subject after 10, 20, or 30 years to enhancement or abatement, because prices of agricultural produce have risen or fallen, or the value of the precious metals has altered. Under what is *ordinarily understood*

to be a permanent settlement, the Government demand is fixed in perpetuity. Fluctuations in the proportion in which the State and the landlord divide the rent do not affect the permanency of the assessment.

9. This device of a *quasi* permanent settlement may be traced to the wish to avoid the expense, harassment, and all the other evils attendant on a system of temporary settlements, and yet secure to the State its fair share of the enhanced rental of the land, to whatever causes, excepting the direct outlay of the landholder's capital, the rise may be attributed. It has been shown by the officers consulted that the scheme is not practicable. I have long held that a far simpler plan for securing the desired object might be worked out. The temporarily-settled districts have been most carefully measured, and complete settlement records have been compiled. Starting with a correct field-map, a correct *khusrah*, and a correct *jummabundee*, why should not the *putwaree* keep up these records? All extension or abandonment and changes of cultivation might be shown in a supplemental field-map, and recorded in a supplemental *khusrah*. Every year a correct rent-roll should be prepared, and given in three months after the commencement of the year to which it related. I believe that this might be done, and if it were done, the Government could in any year revise the assessment of any village, on these papers, or even only on the *jummabundee*. A correct rent-roll is the very backbone of an assessment. To secure it even a large expenditure would be justifiable. A Deputy Collector in every District, with a Superintendent, a Covenanted officer in every Division, should be appointed to test and correct the *jummabundees*. On this subject Mr. Cadell writes:—"Our present policy is that of keeping up a starved permanent revenue establishment, and revising all the village papers at intervals of 20 or 30 years; but it is quite possible that the record of agricultural customs and tenures should be so accurately kept up, that no fresh papers, or, at all events, only a very few, would be required for the revision of assessment; and if this should ever come to pass, the expense of settlement operations would be greatly lessened; and the village papers, which are so necessary to the successful administration of justice, would be much more useful than they are at present; and re-settlements at intervals of, say, 20 years might be effected at a minimum cost to the State, and without involving any great amount of hardship to the people. For what is, in my opinion, the main objection to temporary settlements, the trouble and expense involved to the people would be in a great measure obviated if a great portion of the work now done by the Settlement Department were done through a permanent establishment well known to the people. For purposes of assessments, if the village papers were accurately kept up, all that would be required would be a rough survey or field-book, showing soils and areas, and a record showing the proprietors from whom, and the proportions in which, the newly-assessed revenue was to be levied." Mr. J. R. Reid, Settlement Officer of Azimgurh, writes to much the same effect:—"The settlement records once correctly drawn up, it should be possible under the pressure of a decennial adjustment of the *jumma* to keep them up so as to save the Government and the people the expense and trouble of making another complete survey and revision of records. I doubt if the records would be equally well kept up during a period of 30 years or more. There would be little difficulty in recognizing and mapping into the maps of the present settlement, and in recording the possession of land broken up during 10 years, or in ascertaining how far the existing assets differ from those assumed at the previous revision of the settlement."

I have not attempted to calculate the cost of the establishment which would be required to keep up the *jummabundees* in such a way as to render any recourse to the ordinary settlement proceedings (including field measurements, calculation of rentals, and preparation of records-of-rights) necessary. I believe that the cost would be very much less than that which has been incurred in the revision of settlement. Of the administrative advantages of some such scheme for the correct preparation of *putwarees'* records, quite independently of the settlement question, there can be little doubt.

10. Before quitting the subject of permanent settlement, it is necessary to allude to the question (which has been raised in some of the notes), are Government pledged

to a permanent settlement; can a permanent settlement be withheld from the people without a breach of faith." The question has not been referred to the Board for the expression of their opinion. I would, however, as the subject has been mooted, record my entire dissent from those who assert that the Government are bound by promises which cannot be ignored. In all cases in which the promise of a permanent settlement was held out, the promise was conditional, either expressly or impliedly, on the sanction of the Court of Directors, and "on such terms as the Government shall deem fair and equitable." Expectations may have been held out, and in individual cases promises made by Settlement Officers (who, if they made any such promises unreservedly, were acting *ultra vires*); but the supreme authority in the State—at first the Court of Directors, and afterwards the Secretary of State for India—has never made any promises to the people except on the anticipated fulfilment of conditions which have not been fulfilled.

It cannot be denied that if the settlement is to be made permanent, the Government is entitled to a land revenue calculated on a rental such as it may be supposed the estate will reach within a reasonable period. That rental must, in justice to the State, be in advance, and probably considerably in advance, of the existing rental, or rather of that on which a 30 years' settlement will be granted. Is it not notorious that no *zemindar* will pay Rs. 1,000 per annum for ever in preference to Rs. 900 for 30 years, with the dim hope of getting the demand reduced at the end of that term? On the borders of permanently-settled districts, *zemindars* seeing that some estates are now held on a pepper-corn *jumma* may sigh for a permanent settlement. But if it were explained to them that the assessment would be made on a revenue in advance of the existing one, they would refuse the boon. I am speaking of course of the mass of the landholders. There may be some more farsighted than their neighbours, to whom the ulterior advantage of a permanent settlement would outweigh present disadvantages, but such men are few and far between among the landowners of these Provinces.

TEMPORARY SETTLEMENTS.
QUESTION I.
Do Government take an adequate share of the rental.

11. I do not consider that the present standard of assessments at 50 per cent. of the rental assets is inadequate, or that the share of rental assets at present left to proprietors is excessive. Rae Buldeo Buksh's calculations in detail, which shows that the *zemindar* does not on an average get above 30 per cent. of the rental assets, is probably a fair one. The State takes a *clear* moiety of the rental. Out of the *zemindar's* half comes the Government cess, *putwaree's* salary, *lumberdar's* fees, unrealizable balances, miscellaneous village and collection expenses, reaching an aggregate of 20 per cent. There can be now no concealment of assets. Every field is measured, and its area, quality of soil, soil-rates, crop, irrigation, &c., recorded. Statistical *mohurrirs* work out the rental, which facts recorded in the *khusrah*, *khuteonees*, and other papers give. Low-rented land is assessed at higher rates justified by those prevailing over a sufficiently large area of similar land. The full 50 per cent. is often taken, and sometimes, it is to be feared, more. In many districts there is a very small margin of culturable waste. The "50 per cent. of existing assets" rule raises the old demand, which was originally supposed to be 65 or 70 per cent. of the assets at the time of the former assessment, some 20 per cent. and more, the *zemindars* paying at the expiration of the old settlement perhaps not more than 30 or 35 per cent. of the assets of the day.

12. One result of the late revision of assessments in these Provinces is a sudden curtailment of the landlord's income even where his actual rent-roll is as high as that assumed by the Settlement Officer as the basis of his assessment of the Government demand. The landholders cannot reduce their expenses immediately, and the enhanced demand, even in a year of fair harvests, must throw them into the hands of the village banker. The assessments of certain Pergunnahs which have lately been sanctioned by the Board will, with a view of protecting the interests of the *zemindar*, be introduced gradually. That is to say, the full *jumma* determined by the Settlement Officer will, wherever it is

much higher than that which it replaces, be reached in two or three years. For instance, the old *jumma* is Rs. 700, the new, Rs. 1,100. The latter is declared in March, 1873 for 1873-74 (1281 *Fusles*). The *jummas* will be for—

1873-74,	...	...	...	Rs. 800
1874-75,	...	...	...	„ 950
1875-76,	...	...	...	„ 1,100

13. Mr. Colvin has shown the utter fallacy of the inference (drawn from the fact that we take 50 per cent. of the rental, whereas in 1841 we took 66 per cent.) that the landlord who had been paying 66 per cent. for 30 years past might now be made to pay the same percentage of the existing rental, and that it is a sacrifice of public revenue to limit the demand to 50 per cent. Suppose the *zemindar's* rental is Rs. 1,000; that this is accepted by the Settlement Officer as a correct rent-roll, and that the revised *jumma* is fixed at Rs. 500. But it may be that the old *jumma* is, say, Rs. 350, being 66 per cent. of Rs. 530, the rental on which the old *jumma* was estimated. By the expiry of the old settlement the *jumma* stood at only 35 per cent. of the rental which the *zemindar* was and perhaps had for many years been realizing.

14. In some districts, where there are large village communities, and the profits left after payment of the Government revenue have to be divided among a large number of sharers, it has been found necessary to lower the percentage of the Government demand below Rs. 50. In estates belonging to single owners a larger share of the rental than 50 per cent. might be appropriated by the State. I am myself in favour of a more elastic rule than the hard and fast 50 per cent. in all cases. It should be left to the discretion of the Settlement Officers, subject to the orders of superior authority, to assess the revenue at 45 to 55 per cent. of the rental. The *talookdar*, with 50 villages having a rental of Rs. 20,000, could pay 55 per cent. of the rental as easily as five hundred sharers holding a single village with the same rental could pay 45 per cent. His Honor has pointed out that large estates held by a single owner are liable to *disintegration*, and that the settlement must be so framed that their component parts, if held separately, shall stand and prosper under the quota of revenue for which they are responsible. There would be no danger of any such result if the Settlement Officers' discretions were limited between 45 and 55 per cent., and the capabilities of each individual village of the large estate were carefully ascertained, and made the basis for its assessment.

QUESTION II.
Influence of the Rent Law on the assessment of the Government demand.

15. I do not think that the existing Rent Law has tied the hands of assessing officers to any appreciable extent, or that their operation has resulted in "restricting the full demand for land-revenue to which the Government may justly be entitled." It is not the Government but the *zemindar* who has cause to complain. The Settlement Officer assesses on the prevailing rent-rates. He pulls up the lower rates to the level of those paid commonly, whether by occupancy-ryots or by tenants-at-will, rejecting rack-rents and selecting what he holds to be fair and equitable rents. The Civil Courts cannot touch the Settlement Officer's *jumma*, but they do interfere, when moved to do so with the landlord's assessment of rent, at the rent-rates assumed by the Settlement Officer as the basis of the assessment of the revenue. To quote Mr Auckland Colvin's Memorandum on the Revision of Land Settlements,—"At present the Settlement Officer bases his revenue on what are technically known as assumed rent-rates—rent-rates which his observation, embracing large tracts of country with various capacities and of different circumstances, demonstrates to him to be reasonable. These rates are not actually paid in every instance, but on the whole they are so generally paid, that experience proves to him that tenants now holding at lower rates may, after revision of assessment, be fairly called on to pay them. The data assumed by the Settlement Officer, however, may be questioned when landlords proceed to enhance in the Courts, and the correctness of his deductions impugned. The respective quality of soils, for instance, or the proximity of lands used as standards of comparison may be and frequently are brought to issue. The Settlement Officer may be of opinion, on sound grounds, that over an extensive area, at pre-

sent under-rented in regard to its capacities, rents, after assessment of the Government demand, will be largely raised. But, unless he can single out and mass in sufficient numbers to meet the requirements of the Rent Law, illustrations of higher rents paid within such a tract, the Judge, who is bound to adhere to the terms and conditions of the law, has no power to enforce the Settlement Officer's proposed rates. The result has been much expensive litigation with uncertain results. The provisions of the Rent Law to a great extent control the actions of the Settlement Officer, and a settlement based in itself on perfectly sound data may prove oppressive, because landlords cannot show that the conditions of enhancement specified in the Rent Laws are strictly applicable. The revised settlements are thus absolutely placed at the mercy of the Civil Courts, themselves bound down to the strict application of the law; and unless landlords can satisfy the Courts as to the justness of such enhancement of rent on grounds not at all necessarily identical with those on which the Settlement Officer has fixed the Government demand, the settlement will very probably break down, the landlord fall into arrears, and the village perhaps be sold for the balance. It is on the face of it unreasonable that the burden of the proof of the adequacy of the rents calculated by Settlement Officers should be thrown on the landlords, who were no parties to the calculation. In Oudh, the landlord can be called on to file his rent schedules within a certain term after the declaration of the raised demand. All disputed cases are tried and settled by the Settlement Officer, and his assistants and deputies. But in this Province no such provision exists."

QUESTION III.
Assessment on future theoretical enhancement.

16. It may be argued by the advocates for a higher assessment, that we are taking only 50 per cent. of the rental assets existing at the commencement of a long term of settlement, whereas there can be no little doubt that the assets will increase: that it was laid down by Mr. Thomason that the Government should not demand more than two-thirds of what may be expected to be the *net produce to the proprietors during the period of settlement*; while Settlement Officers are now told "to frame their assessment on the prevailing standard of rent, and are forbidden to leave the hard ground of current standard rents, and speculating on an expected enhancement to rate their assessments upon such expectation." Of the wisdom of the latter orders there can be little question. It is simply impossible to estimate with any hope of accuracy what the "net produce to the proprietor, during the term of settlement," will be. It is not possible to say how far communications will be improved, prices rise, rent-rates be enhanced, irrigation, provided otherwise than at the expense of the proprietor, extend &c., But in regard to the last and most important source of additional agricultural profits, the law has secured to the State in the provisions of the Canal Bill its share in such profits.

17. I do not say that Settlement Officers ignore the difference between the rents paid by tenants-at-will and those paid by occupancy-ryots. But often the difference is but trifling where the whole *pergunnah* is taken under review, and yet in individual villages the difference may be very considerable, and the landlord is unable to enhance by suit in the Civil Court up to the amount to which the rent would come by the Settlement Officer's assumed rent-rates. For instance, the Settlement Officer assesses on a rent-roll of Rs. 1,200; the existing rent-roll being Rs. 1,000. The *zemindar* sues to enhance up to 1,200: the Civil Court, tied by the provisions of Section 17, Act X. of 1859, refuses to decree the enhancement claimed. The *zemindar* pays a Government revenue of Rs. 600 on a rental of Rs. 1,000. It may be said that the Government demand should be reduced at once to Rs. 600 by the Settlement Officer. But settlement operations are, it may be, closed, and, the settlement has been sanctioned by Government: or the zemindar may go into Court the following year, and have his claim to enhancement decreed by another Judge. To sum up, it is not Government but the *zemindar* who suffers most by the operation of the Rent Laws.

QUESTION IV.
Open Settlements.

18. A settlement for a term, say, of 30 years with the power reserved to Government to enhance or re-adjust the *jumma* at any time during that term would be a

30 years' settlement in name only. Where would be the feeling of security which now exists among *zemindars?* The value of land would be violently disturbed. It has been shown in the examination of the other points referred to the Board for the expression of their opinion, that it is not possible to connect rise or fall in rents with either fluctuations in the value of the precious metals, or fluctuations in the prices of agricultural produce. The connection is at any rate very remote, so much so at times as to be hardly appreciable. The case is much the same with improved communications. Who can tell with precision how much the construction of a line of railway has influenced rent-rates. It may have affected the prices of agricultural produce, but it could affect rent-rates only through its influence on prices of grain, &c., and this "element" it is proposed to take into consideration separately. The effect on rent-rates of canal, irrigation alone could be gauged, and that only where the canal was taken through lands previously unirrigated or not easily or cheaply irrigable. The difference between the rent of every field before and after the introduction of canal-irrigation could be ascertained. This difference would represent the additional rental profits due to the canal, half of which profits Government on the 50 per cent. of the rental assets rule could claim. The Canal Bill has provided for such cases.

15th of April, 1873. H. S. REID.

NOTE BY A. COLVIN, Esq., SECRETARY, BOARD OF REVENUE.

Origin of the present enquiry.

1. On 27th September, 1871, the Board, in compliance with the instructions of the Local Government, called upon selected Officers for their views,—Firstly, as to the grant of a Permanent Settlement to these Provinces, which the Government of India, in the letter of its Home Secretary, dated 26th May, 1871, had discussed; and, Secondly, as to the system of Temporary Settlement in force, the sufficiency of which the same Despatch had questioned. Replies have now come in from several of the Officers consulted: and the Government of these Provinces is pressing for an answer. I give in the margin the names of the Officers who have furnished opinions. It is to be regretted that not a single reply has come from the Meerut Division, though there is not a district in that division which has not come under resettlement, of which, indeed, the settlement is not either completed, or on the verge of completion. Among the Officers from whom an opinion is wanting are Mr. Smith, the Settlement Officer of Allygurh; Mr. Forbes, formerly Settlement Officer of Meerut, and now Commissioner of Allahabad, whose great experience would have been especially valuable; Mr. McConaghey, Settlement Officer of Mynpoorie; and Mr. Markham, Settlement Officer of Bijnour. A few Officers again have furnished answers too brief to be worth printing, and an unprinted letter from Mr. Ricketts accompanies the file, commenting on Mr. Halsey's arguments, but not furnishing* any direct reply to the Board's reference.

Mr. C. Crosthwaite, Settlement Officer, Etawah.
„ C. Moore, Collector, Etawah.
„ Keene, Commissioner, Agra.
„ Evans, Assistant Settlement Officer, Futtehgurh.
„ Patterson, Settlement Officer, Futtehpore.
„ C. W. Carpenter, Allahabad.
„ Court, Commissioner, Allahabad.
„ Halsey, Collector, Cawnpore.
Rai Buldeo Buksh, Deputy Collector, Ghazeepore.
Mr. Wigram, Collector, Bustee.
„ Reid, Settlement Officer, Azimgurh.
Moulvee Nazeer Ahmad, Deputy Collector, Goruckpore.
Mr. Webster, Collector, Goruckpore.
„ E. Colvin, Collector, Bareilly.
„ Wilson, Settlement Officer, Budaon.
„ R. Currie, Settlement Officer, Shahjehanpore.
„ Moens, Settlement Officer, Bareilly.
„ Buck, Settlement Officer, Cawnpore.
„ Ridsdale, Settlement Officer, Etah.
„ Ternan, Deputy Commissioner, Lullutpore.
„ White, Settlement Officer, Jaloun.

Nature of the questions referred by Government to the Board—

1,—Permanent Settlement.

2,—Temporary Settlement.

2. Two distinct questions are before the Board. In the first place, the experience drawn from the Meerut and Boolundshuhur Settlements has led to grave doubts as to the sufficiency of the conditions of permanent settlement laid down by the Secretary of State in 1865. On the assumption that these conditions are insufficient, the Board are asked whether they can suggest others which, while enabling the Government to redeem to the people its promise of a permanent settlement, should guarantee the Government from serious fiscal injury. In the next place, whether or no such a scheme can be framed, the Board are asked to consider whether there is not "something essentially faulty in the existing system of assessment."

Course adopted by the Board.

3. The questions referred to the Board, and by them circulated to the Officers consulted, were gathered in a Circular Letter into six heads. Under those heads it will be convenient now to consider them, with the opinions given upon each. I note against the replies to each question, for facility of reference, the pages of the accompanying volume in which they will be found.

Questions circulated to Officers regarding permanent settlement.

4. To enable the Board to get the sense of District Officers as to the first point (Permanent Settlement), the two following questions were asked:—

1*st*,—Whether it might be possible to lay down some standard of average rates below which no settlement should be confirmed in perpetuity. The scope of this question will be found indicated in page 25, paragraph 3, of Board's letter.

* Mr. Ricketts has since replied; and his letter, with others received too late for analysis in this Note, will be found at the end of these papers.

2*nd*,—Whether it would be expedient to have a permanent settlement, based on adequate rates of rent, if such were believed to exist, but subject to the condition of a rateable increase of revenue in proportion to the increase of prices. The staple by which the increase of prices should be tested, the intervals, and the mode of applying the test, were points on which it was stated opinions should be furnished.

Further questions regarding the system of temporary settlements.

5. On the second point, the faultiness of the existing system of temporary settlements, the Board asked for information on four heads.

1*st*.—Whether the present standard of assessment at 50 per cent. of the rental assets is inadequate, and whether the share of rental assets at present left to proprietors is excessive.

2*nd*.—Whether the operation of the rent laws results in any measure in restricting the full demand for land-revenue to which the Government may be entitled.

3*rd*.—The extent to which, on theoretical grounds, in view of a settlement for a term of years, enhancement of rent rates beyond the present prevailing standard is, or may safely be, assumed as a basis of assessment.

4*th*.—The expediency of leaving the assessment open to enhancement or re-adjustment during a term of temporary settlement, in consequence of the diminished value of the precious metals, or other causes: with the effect of canals and other public works on the assessment of the land revenue.

The nature and scope of the information asked for under each head was indicated, and the Board, in conclusion, pointed out that the six points circulated embrace the whole system of assessment of the land revenue in these Provinces, as in force for more than the last thirty years. "The fact of that system having worked well during the above period is not necessarily a proof of its being equally adapted to the circumstances and requirements of to-day. On the other hand, the mere amount of land revenue obtainable is far from being the only test of a sound system of assessment.

"The Board invite the greatest freedom of suggestion in regard to the mode of ensuring to Government a full and fair revenue from the land, with due regard to landed interests, as existing by custom and guaranteed by law, in these Provinces.

"The experience of Settlement Officers should enable them to throw a flood of light on the questions raised by the Government of India. Speculative and theoretical suggestions, unless based on an exhaustive comparison of well ascertained facts, and careful deductions therefrom, will be disregarded ; but views of whatever nature, borne out by well-supported reasoning, will meet with the Board's fullest and most impartial consideration."

Replies received.
Mr. Halsey.

6. For the most part, the officers consulted have replied categorically to the questions put to them. But Mr. Halsey differs in confining himself to a strenuous advocacy of a permanent settlement, and I have treated his report separately as an Appendix to this note. I take the questions in order.

7. I.—Whether it might be possible to lay down some standard of average rates below which no settlement shall be confirmed in perpetuity.

PERMANENT SETTLEMENT.
Summary of replies to Question I.

The Board had pointed out that it would have to be considered under this head, whether, in the part of the country under the immediate observation of the officer reporting, rents could be said to have reached their full present limit. It was noted that the rise in prices, which has led in a chief measure to the rise in rents, would be the best, though by no means the only, test of the adequacy of existing rent rates. On review of the prices of past years, did it seem that any further large increase in prices is improbable ? and have rents so generally risen with prices as to render a further rise unlikely in view of the probability of prices remaining stationary ? Is population up to the ordinary standard ? What is the margin of cultivable land, and what are the prospects of improved means of communication and irrigation ? It was to be shown whether the transition state through which Boolundshuhur and other districts are pass-

ing had been entered on, or would seem to be near an end, in the several districts under report.

Possibility of standard rates. Page 29.

8. On this head a great deal of valuable and elaborate information is supplied by certain of the Settlement Officers. The extent is shewn to which prices have risen, with the corresponding increase in rents. The probability of a further large increase in rents is generally agreed in; but from the extreme uncertainty of the conditions and limits within which the rise in prices can continue to progress, or a rise in rents take place, all officers are agreed that average rates, whether for the Province as a whole, or for divisions, or districts are impracticable.

Mr. Crosthwaite (Etawah) finds that prices have risen 35, 36 and 37 per cent. in the case of gram, wheat, and barley; 44 and 43 per cent. in bajra and joar during the last ten years; while the rent of not more than 25 per cent. of the cultivated land has risen in proportion, or nearly in proportion, to the rise in prices, and 62 per cent. has been subject to no enhancement. He maintains that the late high prices are caused partly by the fall in the value of money, and partly by the bad seasons frequent in the last decade; and thinks that a fall to some extent in prices may be looked for. But he believes that "it is the increase of population that is pulling up the rents, and will maintain them;" and that as population increases, and men have nothing else to look to for livelihood but agriculture, rents must rise, and will go on rising, until something near an European standard is reached, so that no rates which would at present be adopted could fulfil the two conditions of saving the Government from an unreasonable loss, and of being suitable to the present condition of the country.

Page 30.

Mr. Moore (Etawah) briefly states his opinion that rents will continue to rise to a quite unknown extent; that population, as it increases, will not only act on prices, and thereby on rents, but will also act directly on rents by increasing the demand for land; and that a negative answer must be given to the Board's first question.

Page 40.

Mr. Keene (Agra) is "decidedly of opinion that rents have not yet reached their natural limits. I think that prices will continue to increase very steadily, as the extension of such crops as indigo, opium, and cotton displace food crops, and as the Suez Canal brings British India more and more into the markets of the world. The rise that has yet taken place in rents does not fairly represent the fall in the value of money, as shewn in the prices of produce; but I believe that the former will go on even after the latter shall have ceased to operate."

Page 49.

Mr. Patterson (Futtehpore, but writing of Allygurh) contends that the standard of rent in every district during the thirty years of settlement was chiefly determined by the severity or lightness of the pressure of the revenue, and to a comparatively small extent by the productive powers of the land. This position he illustrates by citing the cases of several districts. "The rents from which the rates of assessment are deduced are customary rents, modified," he admits, "in each district by varying causes, but of which the chief and most constant is the pressure of the Government revenue." But judging from experience, we have every reason, he considers, to believe that within a few years after settlement rents will be fixed on a different principle; that competition will come into play, and that the landlord will, as in other countries, try to raise rents as high as the existing demand for land will allow him. Discussing, and in some measure differing from Mr. Plowden's conclusions in his volume on "Wages and Prices," he thinks "that while possibly for a few years prices may be stationary, yet the tendency to rise is a constant one, although it is improbable that we may ever again experience a change so sudden and violent as that between 1868 and 1870."

Page 60.

Mr. Carpenter (Allahabad) replies in the negative to the question as to the possibility of some standard of average rates, but has interpreted the question to refer to a provincial standard. "It does not seem likely that the rate of rent will ever become level all over the Province. The amount of the rate paid in any tract is not necessarily a criterion of its adequacy. I do not see then how any standard of rate could be used effectively." Glancing at the circumstances of the Allahabad District, he thinks

PERMANENT SETTLEMENT. I. Question I. Possibility of standard rates.

that even in the tract where rents range highest, the population averaging over 600 to the square mile, the soil being fertile, the culturable land fully cultivated, irrigation plentiful, and the cultivators generally of industrious and submissive classes, a permanent settlement cannot be recommended. The tract is undoubtedly improvable.

Page 91. Buldeo Buksh states, without discussion, his opinion that no general standard of average rates, below which no settlement should be confirmed in perpetuity, can be laid down for a large tract of country. For each separate district he thinks it might be ascertained whether the rents in it have reached their full present limit, and whether the district has passed through the "transition state."

Page 92. Mr. Wigram (Bustee) expresses similar opinions—he, too, apparently speaking of a provincial standard.

Page 94. Mr. Reid (Azimgurh) thinks any general standard "hardly possible." Rents have risen but little in Azimgurh; the price of produce is more by 50 per cent. than it was at last settlement. "The sense of cultivating right is very strong, both landholders and tenants believing that the rents payable by old tenants, especially those of high caste, cannot be raised during the period of settlement, and perhaps not even at the commencement of a new settlement. In reference to the enhancement of their rents, one is constantly met by old tenants with the objection that the increase in the Government revenue is made because of increase in the cultivated area, and that rates which have been paid for the same land for sixty and seventy years should not be altered. In presence of these facts, it is needless to say that enhancement of rents has been partial; that rents which have not risen will rise, and those which have risen may rise still further." But as the ability of the agricultural population to pay enhanced rents is by no means proportionate to the rise in produce, any theoretical standard of rent is impracticable.

Page 101. Mr. Webster (Goruckpore) illustrates the increase in rental since 1865-66, and the increase in prices since 1851: and believes that rents and prices will go on rising as improvements are made in the means of communication, and as markets become more accessible. He points out that the conditions are passing away under which cultivators have hitherto been tempted by low rent-rates to this district, the margin of culturable but uncultivated land being much reduced. (It may be noted in passing that the proportion in this district is the same now as the average of the Province—75 per cent.) Prices are also rising, and with future improvements in communications, will rise further.

Page 105. Mr. E. Colvin (Phillibheet) points out the excessive divergence of rent-rates within the shortest distances, adding that it is impossible to prophesy correctly how long the causes which produce this divergence will continue. Railways and canals have to be introduced or extended; "the material improvement and development of the district will gradually take place, and in their train will come a rise in rents infinitely greater than that which has as yet occurred, and yet it will be shown hereafter that the rise in the rental within the last thirty years has been estimated at 76 per cent."

Page 110. Mr. Wilson (Budaon) while stating that rents have risen about 25 per cent. since the introduction of Act X. of 1859, considers it uncertain to what further extent they may rise. The district is in a state of transition, which cannot be said to have reached its limit.

Page 112. Mr. Currie (Shahjehanpore) states his opinion that, even limiting the standard to districts or different parts of the same district, any general standard is "utterly impossible." Rents are rising, and will continue to rise. Proper communications are for the first time being opened out. Prices have risen, but rents have not increased. The rents of 1818 are "very much the same" as those of 1869.

Page 123. Mr. Moens (Bareilly), illustrating in great detail and with much pains the progress made in his district during the last thirty years, the increase in cultivation, in prices, and in rents, proceeds to specify the causes which, in his opinion, restrict the

rise in the incidence of rents, and does not anticipate a rise in the general average rent-rate beyond Rs. 3-14-0 ("the rate of the present, as against Rs. 3-4-6 at the last settlement") for many years to come, and sees "no possibility of laying down any general standard rate as a test of fitness for perpetual settlement."

Page 138.

Mr. Buck (writing from Cawnpore, but of Futtehgurh, his recent district), and entering with great minuteness into the inquiry, discusses severally in detail the causes affecting quantity of produce, the causes affecting value of produce, and the causes affecting the profit of cultivators. He dwells on the distinction (which will be reverted to presently) as to the causes which raise *rents*, and the causes which raise the *rent-rate*. In the former, he includes those which increase the quantity or value of produce: in the latter, those which increase the landlords' share of the produce. He concludes:—"I conceive it to be quite possible that within a century the rental of the district may be doubled," and of course pronounces against the possibility of adopting at present anything like a "standard rate."

Page 156.

Mr. Ridsdale (Etah) is of opinion that "in determining the rates at which a tract may be settled in perpetuity, it is possible to ascertain, with sufficiently close approximation, the adequacy of existing assets, and to provide against increase of assets by increased production; but the further probable increase by rise of value cannot be estimated or provided for in the calculation."

Page 163.

Colonel Ternan (Jaloun) states that "the district is as yet quite undeveloped; and no standard rates, below which no settlement should be confirmed in perpetuity, can be ascertained." Prices have risen; also wages; but rents have not risen in proportion. The district may be said to be in every way in a transition state, and but slowly recovering from former Native exactions, and our own high assessments.

Page 165. Page 175.

Mr. White (Jaloun) takes a similar view, and Mr. Hobart (Etah) considers that rents are far below those for similar land in other districts, and are being enhanced daily. Prices, however, will undoubtedly rise: the local population has increased about 12 per cent. in seven years. The best land is taken up already; the available margin is not large.

Preliminary objection indicated by Mr. Crosthwaite; the promise of a permanent settlement made by Government to the people.

9. It will be seen, then, that if it is desired that the incidence of the revenue should be at all equal throughout the Province before settlement is made permanent, the time for a permanent settlement, in the opinion of the officers above named, has not come. But before saying anything further on this, a preliminary objection indicated by Mr. Crosthwaite must be noticed. If the objection is admitted, it must act as an *estoppel* to further discussion: and the only point to be considered will be, not whether a permanent settlement should be conceded, but how the immediate concession of such a settlement can be best effected. Mr. Crosthwaite says:—"There can be no doubt that the promise of a permanent settlement was formerly held out to the landowners of these Provinces by various legislative enactments at an early period of our rule. That the promise was, moreover, made by the Settlement Officers to individual zemindars, and in some cases in written leases, is also plain from the minute of Mr. Holt Mackenzie. How far we are bound by that promise to carry out the measure, irrespective of its political advantages, is a question of some difficulty that must be left to the highest authorities to decide. I am well aware of our peculiar position in this country, and arguments drawn from the action of the legislature in England or elsewhere seem to me entirely void of force. But nevertheless my own opinion is that, in deciding this question, we are bound to look not merely to the interests of the North-Western Provinces, but to those of all India; and if imperial interests would be compromised by fulfilling the expectations held out to the people in these Provinces, we are justified in availing ourselves of the choice of action that has fortunately been left to us."

Consideration of this objection.

10. The circumstances under which, in the first days of our rule, the promise of a permanent settlement was made to the proprietors, will be found at page 10 *seq.* of the Volume of Selections from Revenue Records, 1818-20, published in 1866, and

PERMANENT SETTLEMENT. Question I. Possibility of standard rates.

Lord William Bentinck's Minute, dated 7th April, 1831, page 237 *seq.* of the Volume of Selections published in 1872. The distinct declaration alluded to by Mr. Crosthwaite is in the proclamation of the Governor-General in Council, embodied in Regulation XXV., 1803, and IX., 1805, para. 4, where it is said, speaking of the term of expiry of the quartennial settlement:—"At the end of these ten years a permanent settlement will be concluded with the same persons (if willing to engage, and if no others who have a better claim shall come forward) *for such lands as may be in a sufficiently improved state of cultivation to warrant the measure, on such terms as Government shall deem fair and equitable.*" The promise, even as it stood, was accompanied by two conditions—the lands were to be in a sufficiently improved state of cultivation to warrant the measure; the terms were to be such as to the Government should seem fair and equitable. The Hon'ble the Court of Directors declined to endorse the promise here held out, so far as it might be interpreted to commit them to the grant in any instance of a permanent settlement on the expiry of the quartennial settlement; and from that day to this, under successive Governments, the moot point in regard to a Permanent Settlement has been, whether or no the limitations accompanying the declaration held out in the Regulations quoted can be defined. The permanent settlement promised was only to be granted to lands fairly cultivated, and on terms which the Government thought fair and equitable. In 1862, in his Despatch on a permanent settlement, the Secretary of State restricts the grant of such a settlement by a similar reservation:—"As regards all districts, or parts of districts, *in which no considerable increase is to be expected in the land revenue,* and where *equitable apportionment has already been, or may hereafter be, ascertained to your satisfaction,* Her Majesty's Government will be ready to sanction, on your recommendation, or that of the Local Government supported by you, the settlement in perpetuity of the assessment at the present or the revised rates." These conditions, which are merely a re-statement of the conditions laid down in the beginning of the century, have never yet been settled; and at this very moment the point which the Government has asked us to consider is precisely whether we can yet define the terms which shall be fair and equitable; whether, that is, any considerable increase is to be expected in the land-revenue, and whether, if made permanent, its apportionment would be equitable. If officers, as stated by Mr. Crosthwaite, granted leases in perpetuity, they granted them *ultra vires.* The instructions in the Circular of the Board of Commissioners, dated 30th June, 1808, ran thus:—"The settlement with actual proprietors is to be made for a period of four years, with a stipulation that the jumma which may be assessed on their estates in the last year of such period shall remain fixed for ever, in case the zemindar shall now be willing to engage for the payment of the public revenue on those terms in perpetuity, *and the arrangement shall receive the sanction of the Hon'ble the Court of Directors.*" This, we know, never was received. Leases under the new settlement have been also unquestionably granted in perpetuity; but always with a similar reservation of the approval of Government, and this approval has been withheld. I do not see that the Government has ever pledged itself to more than it is now trying to redeem, *viz.*, the earnest and serious consideration of the terms on which a settlement can in fairness and equity be granted, whether at the end of the quartennial settlements or at any other period. Those, and those only, were the conditions on which a permanent settlement was to be granted. As Holt Mackenzie writes, in para. 219 of his Minute, dated 1st July, 1819:—"The Hon'ble Court have solemnly declared their resolution to incur the disadvantages of delay rather than proceed to fix the public rental for ever without full information in regard to the *data* on which its amount has been assessed."

Terms and conditions of the promise.

Those terms and conditions not yet satisfied.

The people not anxious for a permanent settlement.

11. It will be objected to this argument that it is technical. It may be true that the Court of Directors, and subsequently the Secretary of State, have withheld their consent to the unconditional introduction of a permanent settlement. Morally speaking, the Government may be in no wise pledged to the immediate introduction of a measure to which the supreme authority at home has never unreservedly committed itself. But it will be urged that the people do not understand arguments of this nature: that for 69 years the hope of a permanent settlement has

Sect. I. Question 1. Possibility of standard rates.

been fluttered before their eyes; and that they see in the reasons given for its postponement, not a desire for fair and equitable terms on behalf of the Government, but a greedy appetite for enhanced revenue; in a word, culpable hesitation to commit itself to a course which of its own will it has professed its willingness to adopt. And I should admit that there would be force in this argument—that though not strictly incumbent, it might be expedient to make the present settlement permanent—if as a matter of fact the masses did urge such a plea, and if there was among them a genuine though an erroneous conviction that the Government was inclined to repudiate its promises, or shelter itself under plausible but dishonorable pretexts. As a matter of fact, however, I think it will generally be admitted (it certainly, during the six years I served in the Settlement Department, was my experience) that if the people were not profoundly indifferent to a permanent settlement, it is only because they dislike the idea of it.* "The people say that under a permanent settlement if Government takes no increase neither will it give any relief." (Moozuffernuggur Settlement Report, page 108.) So, too, Mr. Carpenter (page 62):—"So far as my experience goes, the people are altogether indifferent about a permanent settlement. I cannot remember more than two or three occasions on which any question has been put to me on the subject. In no instance have I seen anything like anxiety to obtain such a settlement. The fact is that to the ordinary native of this country thirty years seems an infinity of time. The one thought in the mind of the landowners at a revision of settlement is to get a moderate assessment for themselves. Doubtless if a man has got a light assessment, and is asked whether he would like it temporary or permanent, he will say permanent: but he will not forego any advantage for the sake of permanency in future. Mr. Egerton, the Financial Commissioner in the Punjaub, says of the landowners of that Province:—'*I think that if they were offered the choice of a settlement for thirty years at half assets, or a permanent settlement at* 60 *or* 66 *per cent. of the assets, they would to a man refuse the permanent settlement.*' I believe that the case is even stronger than this; I think that the people here would almost to a man refuse permanent settlement even at 55 per cent. of the assets. And no one can say that they are not wise in their generation." Mr. Reid, it is true (page 98, Azimgurh), says that "the people of the temporarily-settled pergunnahs of this district are undoubtedly desirous that their settlement should be made permanent;" but he qualifies the statement immediately by adding:—"I believe that, with a rare exception here and there, the landholders would not agree to pay a higher rate of assessment in order to relieve themselves of the claims of Government to a share in the profits of increased cultivation in the future."

Moozuffernuggur.

Allahabad.

Azimgurh.

Moulvie Nazir Ahmed (page 99) writes:—"The zemindars of these provinces in their cries for a permanent settlement were actuated by the desire of securing for themselves two different objects: the large profits resultant from a light assessment, and the certainty of a fixed demand. But the working of the present settlement has widely shown that the Government has of late grown too wise to sacrifice its interests. Perhaps no one now dreams of vying with the rich Bengal zemindars, and the first object has been thus frustrated by the final decree of time itself.

Nazir Ahmed.

"The idea of a permanent settlement, I believe, has now been abandoned by the landed proprietors, as far as it related to the question of benefit and profit: and it is the pretended advocates of the people who continue urging it. In accordance with the old usage of this country, it is admitted on all hands that the Government is entitled to its share of the land revenue. The revenue derived by Government from the land is the safest of all taxes, and, if limited to a reasonable extent, can give no dissatisfaction to the payers. Then why talk of a permanent settlement? The people do not and should not grudge the Government its proportionate share of the assets, less out of less, and more out of more." And after pointing out how much remains to be

* Since this was written Kour Luchmun Singh's excellent paper has been received. He argues that the time has come for Government to redeem its promise: not, however, because the people demand it, but because temporary settlements are inexpedient.

Permanent Settlement. Question I. Possibility of standard rates.

done for communications and the improvement of agriculture, he adds:—"I therefore should like the permanent settlement to be discussed no more, at least for the present generation."

Buldeo Buksh.

Rai Buldeo Bukhsh says (page 91):—"The two conditions (relative to the percentage of cultivated area, and the improved state of irrigation and communications), supplemented by a third, that the district should have passed through the 'transition state,' should, I think, be sufficient to secure to the State its due share, and at the same time not to dry the source of wealth and prosperity, by leaving a sufficient residue to the proprietors to induce them to take interest in the improvement of their property."

To conclude: it seems to me that the promise given to the agricultural proprietors of these provinces has been so guarded, that even if they claimed its fulfilment, they would be unable to shew that the limitations qualifying the promise have been fulfilled. As a matter of fact, I believe that no claim is made; and the conclusion I draw is, that it would be Quixotic and most impolitic to concede what is not asked for, unless the necessary conditions were fulfilled, or on the eve of fulfilment; unless, that is, a permanent settlement could be granted with fair consideration to the public whom the Government represents, and equitably to the mass of the proprietors themselves.

Inequality of rents and revenue at present.

As to the merits of the subject matter of Question I., the information, which has been above abstracted, furnished by the several Settlement Officers shews conclusively how little it can be said as yet that, taking the Provinces as a whole, "no considerable increase is to be expected in the land revenue," and how very far the apportionment is from being equitable. In tracts where rent is taken in kind, the recent high prices have largely enhanced the landlords' rents and increased the Government revenue. The commutation of rents from kind into money, which has so greatly taken place during the settlement, has given the promise of permanence to those comparative high rents. But where rents have been or are paid in money, there has been little or no rise at all. It is useless travelling over ground which the Settlement Officers have abundantly trodden, and over which I have recently gone in my Memorandum lately published by Government. To that paper I must refer for illustrations of the extreme inequality in the rent rise, and the causes which keep up such inequality.

Summary of opinions.

In some pergunnahs, as in Atrowlee of Allygurh, where rents are paid in kind, the value of the landlords' share has largely increased of late years, and Government has been enabled to impose a rate corresponding to the capacity of the land. In other cases, as in Shahjehanpore, where rents are paid in money, the benefit of the higher prices has hitherto been reaped almost exclusively by the cultivator; and the rents of fifty years ago are still paid in spite of higher prices, and larger population. In Azimgurh, as we have seen, both landholders and tenants believe that the rents payable by the old tenants cannot be raised during the period of settlement, *and perhaps not even at the commencement of a new settlement.* The process of raising private money rents, as I have in my Memorandum attempted to shew, is necessarily novel to our proprietors*: and there is no reason to suppose that rents will anywhere rise very rapidly where rents are paid in money. But they certainly will rise, wholly apart from the stimulus given by the action of the Settlement Officer at the time of settlement. If, where rents are paid in kind, the landlord can get the enhanced value of his share, it probably follows that where rents are paid in money, the tenants can pay more than they have hitherto done: in other words, pay not a higher ratio to the landlord, but the equivalent of the enhanced value of his share. If, therefore, the present settlement were now made permanent, it would press on districts where the rental was taken in kind, or in money rents recently commuted; but would eventually be light where based on money rents, which represent a former *status*, and will hereafter be made to correspond with the rise in prices. The increase,

* I should like to guard here against misapprehension of the statement in that Memorandum that the Amil or Canoongo fixed the rates payable for the land. I meant that they were fixed subject to the control of those officials, very possibly by *punchayet*, or otherwise. However fixed, they were the rates for the public demand, not of the private party fixing them. They were settled as rates of the public revenue, not of an individual rental. That is my contention.

PERMANENT SETTLEMENT. Question I. Possibility of standard rates.

again, in population has hitherto been in some districts counteracted by the cultivable margin remaining untilled. During the last settlement, the cultivated area has increased 30·6 per cent. in the pergunnahs which have come under revision. But the margin of cultivable land not cultivated (much of which is occupied by groves, or required for pasture) is now only 25·8 per cent. Mr. Webster has illustrated this well in the case of the Goruckpore District, where he states that the rates at which tenants now hold may be raised all round any day at the will of the landlord. This statement, however, must be taken with some reserve, for the proprietor can only raise rents *suo motu* on tenants-at-will. In Cawnpore, for instance, Mr. Buck shews that competition can have no effect on two-thirds of the cultivated area, unless the rents of that portion are allowed under the law to be raised in some proportion simultaneously with the rent of the one-third held by tenants-at-will, which he assumes will be affected by competition. This has now been proposed to the Legislature. The Rent and Revenue Bills, though they throw further obstacles in the way of frequent revision of rents of privileged tenants, or tenants with a right of occupancy, enable the Collector, when the period of enhancement comes round, to raise the rents of the latter to the then prevailing rates for another term of years. Privileged tenants will be similarly raised, though not to so high a figure. If those Bills become law, in another fifteen years we shall see in many districts a great rise in rents. Thus, in Etawah, the *current* rate in Bidhoonah is Rs. 5-8-2, the *protected tenants'* rate Rs. 4-12-9. Officers were asked whether their districts are in a transition state, and the reply is very much to the effect that the whole Province is in a transition state. I do not see how it could be otherwise. Our own revenue system is gradually familiarising itself to the people from without; and from within the causes which stimulate rents are at work. Any standard rents in such a case are impossible, and no time could be more unfortunate for the proclamation of a permanent settlement than one in which we are first tracing the movement of natural and artificial causes, the ultimate effects of which upon rents it is impossible at present to predict. All that we can with confidence say at present is that rents are most unequal. At a time when all the phenomena connected with rent arrest the attention of the observer, as in a state of motion, we should scarcely be wise to come forward and say that the land revenue, which is based on those unstable rents, shall be fixed permanently now and for ever.

PERMANENT SETTLEMENT. Question II. Grain commutation. Permanent settlement based on grain valuation.

12. But might it not be possible to arrange for the revision of the revenue in the ratio of the future rise in prices? Could the settlement of the land revenue be made not upon the basis of a fixed money assessment, but on the basis of the value of a fixed quantity of produce, which value would be adjusted from time to time according to the average prices which prevailed?

13. This formed the subject of the second out of the six questions put to Settlement Officers, and was formulated as follows:—

Question II.

"II.—You have to record your opinion in regard to the expediency of a permanent settlement based on adequate rates of rent, as explained in the preceding paragraph (*i. e., on standard rates of rent*), but subject to the condition of a rateable increase of revenue in proportion to the increase of prices. The staple by which the increase of prices should be tested, the intervals and the mode of applying the test, are points on which opinions must be furnished, if such mode of settlement recommends itself."

14. I will recapitulate briefly the replies to this question.

Summary of replies. Page 31.

Mr. Crosthwaite (Etawah) does not think the "proposed plan practicable." Nor indeed do I think it quite sound theoretically:—

"It assumes two things: first, that the rise in the prices of produce depends solely on the influx of silver; and, secondly, that a staple can be found that for each province, or part of a province, will act as a barometer for the value of silver. It also assumes, as a consequence of these assumptions, that each individual estate will be

able without hardship to pay an increased revenue in proportion to the increase in the price of the selected staple.

"I feel some distrust of my own judgment in opposing a scheme that has received support from some of the best authorities. But the endeavour to see how it would work in practice has shown me difficulties that I cannot overcome. In the first place, if the rise and fall in the prices of produce are influenced as much or more by the character of the harvests than by the influx of silver, then the proposed scheme will lead us into a very great practical difficulty. For no one will hold that bad harvests increase the value of the land affected by them. Yet if the rise in prices is caused by a series of bad seasons, then, under the proposed system of assessment, the revenue will be increased in inverse ratio to the ability of the people to pay. For example, the most rigid economist and supporter of the silver influx theory will hardly maintain that the bad harvests of 1860 and 1861 did not cause a rise in the price of wheat in Meerut from 27 seers in 1859 to 15 seers in 1861; or that the return of a good season had nothing to do with the price falling in 1862 to 28 seers. Now, whatever series of years we may take for the purpose of striking an average, such seasons as 1860 and 1861 must have a very great influence on the figures. The revenue, then, of every estate in the Meerut District would be increased, say five per cent., because of the increase in the average price caused by the bad years 1860 and 1861. But many estates suffered greatly in those years, and the rents of those years were probably not collected at all in lands unprotected by irrigation, while in the canal villages the famine outside doubled and trebled the incomes of the cultivators. What then would be the result of the proposed plan? The famine-stricken estates would be punished by an assessment heavy in proportion to their sufferings, and the irrigated estates would not pay half of the increase fairly due from them. This injustice would be intensified in districts like Ajmere, that were depopulated by famine. Such would be the logical result. In practice, of course, after much reporting, minuting, and despatch writing, the precious permanent arrangements would be cast to the winds, and an officer would be sent to do justice. But, inasmuch as honour would prevent us from drawing back from our word in the other cases, all the loss would fall on the revenue.

"I see no way out of this difficulty except by denying that bad seasons have any influence, or any appreciable influence, on the rise of prices.

"Then comes the difficulty of finding a staple, and of deciding the number of years for which an average is to be struck. These are difficulties I leave to the advocates of the plan to overcome. An examination of price-currents will show that all produce is not rising in the same proportion. Mr. Plowden has shewn that ghee and oil, no unimportant products of the farm, have not risen in anything like the ratio of wheat and other grains. How are we to decide which of the many grains is the staple that answers most accurately to the fall or rise in silver. Mr. Wynne answers this question as follows:—'It appears to us that, as the object is to measure the profits of the landowner, that species of grain might well be selected as the staple of the tract which is generally taken by the village *bunnias* in payment of their debts.' This is a tangible suggestion, and the best probably that can be made; but it seems to me that it is open to the objection that the profits of the landowner can no more be measured in this way than the profits of the *bunnia*. The price of such a staple might be a fair guide to the value of each rupee, but it cannot guide us to the number of rupees incoming either to the landowner or money-lender. Even adjacent estates in the same district differ very much in their products. If the staple selected was the only or even the chief product, then I can understand that its price might guide us in measuring the profits of the landowner, although even then a rise in price would by no means argue a rise in profits; but I cannot see how the price of wheat, for instance, can guide us in estimating the profits of an estate whose chief products are rice and sugar.

"I say it with deference to the advocates of the scheme, but it seems to me that at the bottom of it lies a confusion of thought that does not distinguish between the

measure of a rupee, and the measure of profits made up of an unknown number of rupees.

"If such a system of assessment be adopted, it would be necessary as a preliminary measure to value each estate strictly on its productive capacity. This is a task that I think is almost impossible at present. We know very little about the produce per acre of land in general, much less have we any accurate knowledge regarding the produce per acre of each estate. The people themselves hardly know it, and if they did, they would never truly state it. A wide and long-continued series of experiments would be necessary to ascertain it.

"The difficulty of making an equal assessment is very great. A Settlement Officer is liable to error. It is the interest of every one to deceive him. But any errors of over assessment that are committed will, under this system, be increased at the rate of compound interest at each successive period."

Mr. Moore says:—"The difficulty here would be to decide on the staple by which the increase of prices should be tested. I say fairly I could not indicate such a staple. It must of course be the chief staple of the district. If such could be named as would apply to the district generally, there would be the danger of mistaking a temporary rise for a permanent one. It does not follow that we should discover the real profits of the zemindars by such a system, and it would be objectionable as introducing an uncertainty into the settlement which the existing system is free from." Page 38.

Mr. Keene would prepare rent-rolls through the agency of the Settlement Officers, on the basis of produce corrected by reference to custom and decrees of Court. "Having fixed what is the present money value of the portion of the produce fairly and equitably exigible from each cultivator, let that money demand stand fixed for a period of, say, ten years." To the fair rent ascertained by the Settlement Officers a decennial commutation should be applied. "All that would be requisite would be to expose the rent-rates (cash) to a new testing by comparison with prices and other figures of the time, and to apply the corrected rates to new cultivation." Page 43.

Mr. Patterson is opposed to any commutation scheme. It would press unequally. Where cheapness was caused by plenty, the revenue resting on prices would be light. Where drought had raised prices and multiplied distress, the revenue would be heavy. Again, "a rigid rule which, assuming that rents rose equally with prices, would eventually force them to do so, would ruin large numbers of cultivators. We all know that rents follow prices with a considerable interval. Past prices are not always an index to what we may expect in future. From 1840 to 1850 prices were high; and at a revision in 1850 the revenue would have been raised, and this demand would have been paid during the next ten years, when prices were low. In 1860 the revenue would have been lowered, and during the following ten years of high prices it would have been based on the previous period of low prices." Mr. Patterson adds that in England high prices almost invariably are a sign of agricultural prosperity: here they are frequently a sign of enormously diminished produce and of great agricultural depression. "Upon this head I venture to suggest that, as a measure of the increased profits of landowners, the average selling price of land would be free from the objections which I think apply to the use of average corn prices for this purpose." Page 53.

Mr. Carpenter points out that "it will obviously be unfair to take such an increase of revenue, unless we are certain that rents rise at the same rate as prices," and argues the improbability of such a rise. But his second and main objection to the system is, that "it is more intricate, and would be more difficult to work in practice than appears on the face of it." And he furnishes an interesting diagram taken from the prices recorded in Mr. Plowden's "Wages and Prices" to shew that "the history of prices in the North-West, as far as we possess it, is the history of a series of violent oscillations. It is not merely that prices occasionally rose and fell largely. The oscillations recur regularly in periods of from eight to sixteen years. A cycle of bad years Page 63.

steadily follows a cycle of good years." "I take it as certain that a period of thirty years would be the shortest period over which an average of prices would be safely struck. The increase of revenue could only be effected at intervals of at least thirty years, and then only by a comparison of prices extending over at least sixty years." He adds as a further objection that, though to our ideas the scheme may be simple enough, it would not be so to the people. To them it would seem hoplessly intricate, and they would rather have a temporary settlement at once. And finally he urges the impolicy of taking any measure at once which should bind us for ever. A temporary settlement can be made permanent at any moment; but, once made, we cannot retrace our steps.

Page 91.

Buldeo Buksh, whose opinion is of especial value, as indicating the light in which this matter suggests itself to a native's mind, writes :—

"The evils of the so-called permanent settlement are so great that it would rather be preferable to reduce the net profits of the proprietors somewhat below 50 per cent. and down to 25 than to keep them for ever in a state of anxiety, with dread of vexation and expense, and indifferent to the welfare of their estates.

"The assessment in kind instead of money, or the realization of its value every year according to the market rates, though an old practice with Native Governments, is subject to the same evils to which non-fixity of the Government demand in perpetuity has been shewn to be.

"The principle of dealing with the generally ignorant and uneducated class of the rural population ought to be to avoid all niceties and intricacies, and to make such simple rules of practice which may be comprehensible by them. The diminution of the value of precious metals and similar theories, though quite correct, seems to be beyond their intellect, and liable to create unnecessary suspicion and distrust."

Page 95.

Mr. Reid (Azimgurh) thinks that "if a permanent settlement is not to be based upon the nearly existing assets of the land, it would be better not to have it at all." The people would not understand it. "In their eyes it would not be a permanent settlement." "Besides this, there would be the hopeless practical task of adjusting the relations between landlord and tenant; without receiving increase of rent, the former could not of course pay increased revenue. Those only who have served in this part of the country can realize the trouble to landlord, tenant, and officials that would arise from a universal periodical adjustment of rents."

Page 102.

Mr. Webster (Goruckpore) believes that we should gain very little by such a scheme. The only argument he has ever heard in favour of a permanent settlement ("and I believe its value is only seeming, not real") is the sense of security it brings, and the consequent inducement to industry. "But if the so-called permanent settlement is to be subject to periodical enhancement as prices rise, what becomes of that element of stability which is its sole merit?" "It may be urged that the feeling of security given by a permanent settlement would not be injured by the proposed periodical enhancement, because the increased demand would be based on the rise in market prices of agricultural produce, and not upon increased production arising from the applied capital, labour, or skill of the proprietor. But this distinction, though sufficiently obvious to us, is, I think, too subtle for the ordinary agricultural mind of this country. The fact of the increased demand would be plain to the proprietor: the cause of the increase would be a matter of indifference to him."

Page 110.

Mr. Wilson (Budaon) does not discuss the scheme, but simply records his objection to it; on the ground apparently that no scheme of standard rates is at present practicable, and, consequently, no supplementary scheme for periodically revising such rates.

Page 115.

Mr. Currie thinks the scheme "the best that could be proposed as a make-shift and *dernier resort*" to avoid the great sacrifice of revenue which must ensue from the formation of a permanent settlement, and suggests wheat as the "staple by which in Shahjehanpore, and probably all over Rohilkhund, prices should be tested."

Mr. Moens (Bareilly) urges that, as after all under this system the assessments will still be paid in money, liable to periodical increase or decrease, to the native mind the settlement will in no way be permanent. He points out the great difficulty of finding a staple, and adds that a rigid rule of enhancement would "utterly break down many villages." As far as Bareilly is concerned, he holds that "the system suggested would be impossible to work fairly, and would cause great discontent amongst the zemindars by the inequalities in the pressure of the resultant assessment" Page 130.

Mr. Buck (Cawnpore) writes that as no standard rates could be adopted, so no staple for commutation could be found. Page 148.

Mr. Ridsdale (Etah) points out that as a fact rents do not rise at all proportionately to price. "The principle seems a plausible one in theory, but is objectionable, not because of its being based on a theory, for a true theory must necessarily be true in practice, but because the theory is imperfect. I therefore abstain from discussing the details of its suggested application." Page 157.

Colonel Ternan (Jaloun) considers that such a scheme would "destroy all confidence in our Government, as well as value in landed property. It would be difficult, if not impossible, to fix any staple by which the increase of prices could be fairly estimated, or the intervals and mode of applying the test." Page 163.

Mr. White is "altogether in favour of a permanent settlement so limited," wheat being the staple he would adopt. "But the landlord must be armed with summary legal power to raise all his rents in the same proportion, or the whole scheme must collapse." Page 168.

Mr. Hobart, with certain modifications, approves the scheme, but the modifications are vital: involving, as I understand them, a preliminary valuation for each estate of the outturn of the grain fixed as a standard. Page 178.

15. The objections, then, taken to the scheme may be summarised into three :— Summary of objections urged.

1st,—It is inequitable, because while it provides for the re-adjustment of the Government revenue, it does not provide for re-adjustment of rents.

2nd,—It is impracticable, because no one staple could be adopted; because prices oscillate so extremely that no certain basis can be established for a given period, or inductions taken from that which preceded it; because high prices are by no means necessarily co-existent with agricultural prosperity, and consequently with the power of paying more revenue, or more rent; and because inequality of original assessments would be perpetuated.

3rd,—It would be misunderstood by the people; and in so far as its purport was misapprehended by them, a permanent settlement so fixed would fail to convey the sense of security and consequent stimulus to industry, which is the main argument for concession of a permanent settlement.

16. Arguments in favour of the scheme, and practical suggestions for carrying it out, will be found in the article alluded to by Sir John Strachey in his Minute (page 19). It is also quoted by Mr. Crosthwaite and others. The paper I speak of appeared as an article in No. CI. of the *Calcutta Review*, at page 157 of that number. It is spoken of in these papers as having been written by Mr. Wynne, formerly Assistant Settlement Officer of Saharunpore It is curious to me that a Settlement Officer with considerable practical experience of the work in these Provinces should have written that article. This is not the place to explain in great detail my grounds for saying this; but as the proposals of Mr. Wynne, an officer of quite unquestionable ability and acuteness, are endorsed by the authority of Sir John Strachey, I will explain why I think it impossible to accept them. Sir John Strachey.—Mr. Wynne's advocacy of the scheme in the *Calcutta Review*.

17. Mr. Wynne is at pains to shew (page 159) that "the existence of rent under a system of cottier tenants is in no degree dependent upon the existence of different qualities of the soil, or of different returns to the stock and labour employed. Where no funds sufficient to support the body of the labourers are in existence, they must raise food themselves from the earth or starve; and the circumstance would make them tributary to the landlords, and give rise to rents, and, as their number increased, to very

PERMANENT SETTLEMENT. Question II. Grain commutation.

high rents, though all the lands were perfectly equal in quality. And—"Under the head of cottier rents we may include all rents contracted to be paid in money by peasant tenants extracting their own maintenance from the soil." (Jones' "Distribution of Wealth," page 153.) "And all peasant rents, he shews in other parts of his elaborate review of the theory of rent, differ from cottier rents only in so far as custom regulates the proportion of produce which is to be paid to the superior owner. Into no kind of peasant rent does diversity between qualities of soils enter as an influencing element.

"With this J. S. Mill agrees. 'The effect,' he says, 'of the cottier tenure is to bring this principle of population to act directly on the land, and not, as in England, on capital;' and through it, as has been shewn before, on the rent of different qualities of land. '*Rent in this state of things depends on the proportion between population and land.*'

"A very obvious truth, indeed, though one which is curiously often left out of sight by even the best Revenue Officers in this country. Were it understood, and kept well in mind, we should not see such a frequent endeavour on the part of our ablest official writers to connect the *rise of rents* with *increase of irrigation*, extension of cultivation, or *even with a rise of price for agricultural produce.*" (The italics are mine). "Where cottier tenure prevails, all three conditions may be found, and yet, *if population do not increase fast, rents may continue stationary.*"

18. Sir George Wingate (whom Mr. Wynne is criticising) had opposed a permanent settlement. He contended that rent depended on the varying qualities of soils, and that on the more valuable lands, with the extension of cultivation, a greater amount of produce, yielding a larger rent, could be raised for the same outlay as on the less valuable lands; consequently, to impose a larger revenue on such increased rent was not to tax industry. Mr. Wynne, combating this view, and advocating a permanent settlement, replies that rent in peasant tenures rises, not from varying qualities of soil, but from pressure of population. However this may be in either case from Mr. Wynne's point of view, it does not rise from the industry of the landlord; and though Mr. Wynne may disprove Sir George Wingate's argument, he does not shake his conclusions. Whether by one or the other view, an increased revenue on increased rents is no tax on landlords' industry. But, in the passages above quoted, admitting even the wholly untenable position that rents in India are strictly competitive peasant rents, the *existence* of rent, I think, it will be seen, is confounded by Mr. Wynne with the *increase* of rent, and the *amount* of rent is confounded with the *ratio* of the rent-rate. Jones does not say that improvements do not affect the outturn of different lands, and consequently their rental value to the proprietor, but that with peasant cultivators the *existence* of a rental value is in no way dependent on qualities of soil. On the contrary, if Mr. Wynne had transcribed a few more lines, we should have read:—"Cottier rents, like other peasant rents, may increase from *two* causes,—*first*, from the increase of the whole produce, of which increase the landlord takes the whole or a part" (here the *rent* rises); "or the produce remaining stationary, they may increase from augmentation of the landlord's share, that of the tenant being diminished to the exact amount of the additional rent;" (here the rent *rate* rises). Men under peasant tenures having nothing else to live on, must live on the land, and must pay for it. But it does not follow that what they pay bears at no period any proportion to the quality of the land, or is regulated solely by their numbers. Jones writes a little further of the "sovereign proprietors of the territories occupied by ryots, and of the landholders of countries cultivated by serfs, metayers, or others,"—"they would know that, so far as their experience had gone, with *improvements in agriculture*, and with the *increase of the fertility of the soil, the amount of produce which formed their annual rents* had steadily increased; and they would have found that they became wealthier as the labour of their peasant tenantry produced more from the earth, and that they became poorer as it produced less. They could not shut their eyes to the physical fact that increasing produce, converted into increased rents, constituted a fresh creation of material riches." But by Mr. Wynne's rendering of Jones, this is precisely what they would shut their eyes to, and what Jones says they would know and have found, Mr. Wynne seems to assure us (unless when he says rents he means merely rent-rates) they never could know, and never can find, unless population had increased. In other words, in Saharunpore (the district

Mr. Wynne's argument.

in which Mr. Wynne served), and where population has increased scarcely* at all, but canal-water has been largely introduced, rents, if we are to believe him, cannot have increased. It is a fact (as he will see from the printed Settlement Report), that rents have increased between 1866 and 1870 thirty *per cent.* Test his assertion again by Etah Sukeet, where rents are stationary, and population has increased 25 per cent. in six years; or by Pergunnah Bhojpore, in Furruckabad, where the average rent has risen 7 annas and 4 pies per acre since the last settlement, and where the Settlement Officer tells us :—"Competition for land cannot have caused it, since the number of cultivators per hundred acres is smaller instead of greater." Of course no one would for a moment dream of denying that with peasant tenants competition enhances the *rent-rate*, the share of the produce or its equivalent in money taken by the landlord. But the cause of a rise in rents is, broadly, twofold. The first is increase in the produce, or its value; the second, increase in the relative portion taken by the owner. The former we may attempt to reach, so far as it is caused by a rise in prices, by the grain commutation scheme; the latter we cannot; though in neither case is the rise in the landlord's income due to any efforts or industry of his own.

If population alone governs peasant rents, prices cannot govern revenue based on those rents.

19. In these circumstances it seems the more singular that, accepting *population* as the measure of the rise of rent, Mr. Wynne should propose to make *prices* the measure of the rise of revenue. Our revenue is based on our rents, and if prices, as he says, do not govern the one, how are we justified in making them the standard of adjustment for the other? Until we can get some clear reply to this, I think Mr. Wynne's argument untenable. It may be said that by adjusting its demand by the rise in prices Government takes an equivalent only of the rise in *rents*, and not of the rise in the *rent-rate:* of the rise, that is, in the general value of produce, and not of the mere rise in the landlord's ratio. If it were possible to state how much of the rise is due to either cause, the distinction might, if not very forcible, be intelligible. But the two are intimately bound up, and act very irregularly with us here. It is this peculiar nature of the conditions which obstruct the natural rent rise in these Provinces that lies at the bottom of the whole difficulty; and Mr. Wynne wholly fails, in my opinion, to reach, or even to appreciate, it.

Difficulties peculiar to North-Western Provinces.

20. Hence, when I said that it seems curious that a North-West Settlement Officer should have written the article I refer to, I alluded more particularly to his using as an illustration of his argument, and a crucial proof of its adaptability, the case of Madras. If two systems differ *toto cœlo*, it is the revenue system of Madras and the North-West. The Selections published from the Board's records this year contained an extremely animated discussion between Sir C. Metcalfe and the Western Board, which illustrates forcibly the difference of the system. Government in Madras may possibly, if it can find a fitting staple, adjust the revenue periodically by prices, because the Government is the rent-holder. But here it is nothing of the kind: and when it has carried out its adjustment, the real difficulty would begin. Mr. Keene, Mr. Hobart, and Mr. White all see this: and the two former accordingly put forward schemes more or less to my mind impracticable for adjusting rents. As a matter of fact, rents follow prices at a very great and varying distance. I may refer for proof of this, to my mind, vital difficulty, and for an attempted explanation of its causes, to my Memorandum of this year, as well as to the abundant illustrations in the present correspondence. Mr. Wynne says :—"Our idea of what this progressive increase would be may be gathered by supposing that it had been possible to arrange the now expiring settlement of the North-Western Provinces on this basis. Prices of produce have since that time risen in some places 75 per cent., in few places less than 25 per cent. The increase would now be coming into the coffers of the Treasury, without the heavy loss and expense which a re-settlement causes both to State and people." Would it? It would be coming, if it did come, direct from the proprietors' pocket, for rents most assuredly show no such corresponding rise. Any one unacquainted with the North-Western Provinces might read that article from beginning to end without seeing a single word to lead him to believe that we have no direct power here over rents, or that Government does not deal directly, as in Madras, with the cultivating occupants of the soil.

Census, 1865,	... 866,483	Increase,	14,180
„ 1872,	... 880,663	Per cent,	1·6

21. What has been said here shows the force, in my opinion, of the first of the three objections summarised by me, and renders any lengthy discussion of the rest unnecessary. I do not, however, I must admit, see that the practical difficulties about staples and prices are at all insuperable. The staple would probably vary with the circles or tracts adopted by the Settlement Officer for assessment, which are generally homogeneous. The prices would have to be struck for long periods, and for different parts of the Province separately, all disturbing years being excluded. Mr. Carpenter's "oscillations" seem to me merely to chronicle the successive droughts of past years. These occurred in 1819, 1824-26, 1838, and 1860 (I take my dates from Mr. Girdlestone's Famine Report). These dates are synchronous with the oscillations noted by Mr. Carpenter, and sufficiently account for them. But I do see, as any one who reads the published reports of our Settlement Officers must, very great force in the argument that high prices are by no means necessarily co-existent with agricultural prosperity, and may in fact have an inverse ratio to it. Even if rents were not restricted by considerations peculiar to the Provinces, though produce may have become more valuable, agriculture has become more costly. The small tenant who lives on the little grain left him after paying his rent, and repays in kind the advances made him by the grain dealer, profits little or nothing by a rise in prices. "As a rule, the cultivators are not affected by the price current. They are entirely in the hands of the bunnias. Repayment of their cash advances for rent, or their grain advances for food or seed grain, is in *kind*. The cultivator, if his crop is good, feeds himself and family from his field, and he must eat a certain quantity whether the price current makes the cost ten rupees or one rupee."—(Mr. Court, page 69.) The scheme, too, would perpetuate inequalities of assessment. The revenue of all villages would rise proportionately to prices, and the heavily-assessed could consequently never hope for relief. The same objection applies to Mr. Patterson's suggestion to take the average selling price of land as the standard. Applied to indifferent or over-assessed villages, the standard would press intolerably, while an average falling on the best villages would be unduly light.

Practical difficulties in some respects possibly exaggerated.

22. The argument by which Mr. Wynne conceives himself to have disposed of the third objection seems to me itself to establish that objection conclusively. The objection he says "comes to this: that to fix a demand in money (which thirty years hence may possibly buy 33 per cent. more corn than it does now) is to give greater security to the cultivator than if you fix that demand in corn, which thirty years hence may possibly fetch 33 per cent. higher than it does now. So inveterately do some, nay, most men, live and move and have their mental being on the surface of things." Precisely. And it is because natives of India, in common with most men, do inveterately live and move and have their mental being on the surface of things, that a permanent settlement which failed to convey to them a sense of security would be, so far as its effects on their industry and on agricultural improvement were concerned, flat and unprofitable. If all men saw this particular question as clearly as the writer of the article, the objection would be groundless. But as the immense majority of those whom the question concerns do *not* see it, even at all, the scheme can scarcely yet be removed from the sphere of speculation into the work-a-day atmosphere of practical administration.

Mr. Wynne's argument from stupidity.

23. The conclusion of the whole matter seems to me to be that the time has not yet come when the Government can, with fairness and equitableness, declare the assessment of the land-revenue of these Provinces permanent. And, in the absence of any pressure from native opinion on the subject, I think the force of Mr. Carpenter's words unanswerable:—"Why cannot we wait a few years, and see how our new settlements work? There is no object to be gained by declaring the settlement permanent at once. For the first half of the next thirty years, at any rate, no landowner will look forward to the end of the term. Land will bear just the same price, and improvements will be made just as freely as if the settlement were in perpetuity. A temporary settlement can be made permanent at any moment, but, once made, we cannot retrace our steps. After fifteen or twenty years have passed, we shall be able to judge of the fairness of our settlements, and we shall have gained some knowledge as to the tendency of rents and prices. Why should we tie our hands now for the sake of the mere name of permanency?" The best hints we have hitherto received on the subject are from Time himself, and I think

Conclusions to be drawn from the preceding expression of opinions.

Page 65.

we should do well to let him have his say. If he speaks slowly, he speaks very much more to the purpose than any one else yet has.

24. The question of our Temporary Settlements comes next: and the first question put forward for reply on this point was as follows:— The question of North-West system of Temporary Settlements.

"I.—Whether the present standard of assessments at 50 per cent. of the rental assets is inadequate, and whether the share of rental assets at present left to proprietors is excessive." Question I.

Under this head was asked for a succinct and comprehensive review of the pressure of the settlement based on 66 per cent. of the assets, or whatever was the share taken at last settlement. Illustration, it was added, should further be given so far as possible of the average incidence of the present demand on the several classes of proprietors, considered as petty proprietors, or as proprietors holding average or large estates. Opinion was also invited under this head, as to whether the Government share of rental assets should, as a matter of public policy, be in all cases limited to 50 per cent., or whether discretion should be left to the Settlement Officer; and if so, within what limits and subject to what conditions such discretion should be given. TEMPORARY SETTLEMENTS. Question I. Adequacy of Government share of the assets.

25. Mr. Crosthwaite (Etawah) notices that while at the last settlement the assessment fell at 66 per cent. of the assets, a very large amount of land had been newly abandoned. This was subsequently brought into cultivation, and formed a reserve of no small value, from which year by year the pressure of the demand was lightened. The settlement nevertheless "was as heavy as was consistent with the prosperity of the district." "In parts it pressed heavily; in others its pressure was "very much lightened by the extension of irrigation, and opening up of communications." Here the settlement has worked well. Fifty per cent. of the potential assets, of assets based on new and enhanced leases, as well as on old and expiring ones, is as much as can be taken. But we must take more than half of the "actually existing rental, until the landowners raise their rents." Mr. Crosthwaite then illustrates the pressure of the revenue on the small proprietors, and concludes that "it will be impossible to place the average income of the land-owner at a higher figure than Rs. 20 per mensem. That is to say, he is about twice as well off as our cooks, and about four times as rich as our grooms. From my knowledge of their circumstances and mode of life, I believe this is no exaggeration." He would not tie down officers to a rigid rule of 50 per cent., but would allow for waste lands, and so on; and he would apply one ratio of assessment to proprietors, whether large or small. "The assessment should be guided by the valuation of the land, not by consideration of the person who owns it. To assess a man heavily because he is rich, is as unjust as to assess him severely because he is very skillful and industrious. We have given up the latter error: do not let us adopt the former." *Is* it as unjust to assess inherited wealth as to assess industry? Summary of replies.

Mr. Moore (Etawah) thinks that "considering the generality of our zemindars are really very poor, as any one may see who takes the trouble to walk through the district, 50 per cent. is not too moderate a share of the profits to leave them, if the real value of the estate is assumed, as I imagine it always is, by the Settlement Officer." Page 39.

Mr. Keene (Agra) considers the 50 per cent. system "entirely inadequate if put upon the *known and ascertained* assets. A considerable rise of rent-rates may fairly be assumed as a basis of assessment. Whether the share left to proprietors is excessive is a question the answer to which depends on so many things that I should hesitate to record a very decided opinion." He does not think Government gets more than one-ninth of the gross produce on an average. He thinks a half asset assessment (without cesses) should equal one-eighth, and he would modify the rent law to enable this proportion to be reached. Page 41.

Mr. Patterson (Futtehpore, but writing of Allygurh) thinks that the present standard is as much as can be borne, if it is intended that a prosperous class is to stand between us and the actual cultivators. Fifty per cent., he points out, means 50 per cent. of what the Settlement Officer thinks the rent-roll would be if the estate were Page 56.

TEMPORARY SETTLEMENTS. Question I. Adequacy of Government share of the assets.

properly managed, and if rents were raised to the proper standard—cesses, headmen, and accountants' fees swell the burden to be borne by the proprietors. It may be stated, he thinks, with confidence that every settlement *really* based on 66 per cent. of the assets, and in which there was no reserve of waste land, by cultivation of which the proportion might be altered, broke down and had to be revised, or ruined the proprietor; and of this he gives illustrations. To increase the Government share of the assets would be a breach of faith, land having become a valuable property in the province on account of the confidence of the people that the present standard would remain unchanged. He condemns a differential standard of assessment as unjust in itself, and an economic blunder, in view especially of the liability of estates to disintegration.

Page 66.

Mr. Carpenter (Allahabad) is clearly of opinion that 50 per cent. is not inadequate as the Government share. The total demand with cesses is 60 per cent., only 40 per cent. being left to the proprietors. The old assessment, even at 60 per cent., broke down in two pergunnahs. In two more, where it was heavy, "nearly all the old proprietors have disappeared."

The wealthy landowners are men who combine some other profession with landowning—merchants, or pleaders, or officials, or men who, under our rule, have accumulated a large number of estates. "The small landowners are not wealthy. Landed property does not give those people the profits we expect it to give them. * * * If our only object is to obtain the highest revenue possible, by all means let us assess heavily. The process that has been commenced will be completed. The Chuttree and the Brahman and the Jât will disappear as landholders. The revenue will be easily paid, and we shall have a thriving class of bunya proprietors. But do not let us forget that if such times as those of 1857 ever return we shall find on our side only a trembling crowd of money-lenders, and against us the mass of the agricultural population."

He sees finally no reason why mahajuns and others, who have acquired their property under our rule, should not be assessed at a slightly higher rate.

Page 88.

Buldeo Buksh thinks 50 per cent. as high "as can safely and expediently be raised." He calculates the total of expenses and Government demand at 70 per cent., leaving 30 per cent. only as clear profit to the proprietor. The Hindoo law of inheritance tends to subdivide this among an ever-increasing number of co-sharers. He calculates (though the calculation is not tenable, being based on the supposition that the proprietor generally gets one-half of the produce of the soil from the cultivator; this being in truth what he only gets in the better soils and better crops) that Government gets one-fourth of the gross produce; while, "by old Hindoo law, the share of Government in the produce of land is one-sixth in ordinary times, raised to one-fourth in the time of war or any other emergency."

Page 92.

Mr. Wigram (Bustee) believes 50 per cent. to be a fair standard for both parties, if fairly assessed—assessed, that is, on fairly calculated potential assets.

Page 95.

Mr. Reid (Azimgurh) writes that "on the whole, a higher than the present standard of assessment cannot now be set up." He thinks that much of the difficulty of collecting a full jumma from numerous cultivating proprietors has been and is due to imperfect records and a faulty mode of collection. If each sharer, however small, knew exactly what he must pay to Government, and were allowed to pay it in *on his own account*, and with his own hand, experiment would shew what rate of assessment could be borne. The Oudh sub-settlements, in which the sub-proprietors are supposed to retain less than 30 per cent. of the rental assets, is not, he observes, in point. It will be time enough to speak of them after we have seen more of their working, or in the next generation, when, after the abundant waste that still exists in Oudh has been broken up, a fresh settlement is made on the same principles. In Azimgurh there is no reserve to fall back on. Nor have higher prices brought relief. "I am most decidedly of opinion that great as the rise in the money value of produce has been, little increase in the comfort of the agricultural community has taken place. Government ought not to count on higher prices as a counter-weight to the decrease in the area of cultivable waste. It should try no experiments, but be content with the revenue which an assess-

ment at 50 per cent. of the rental assets will give." He would leave a small discretion—10 per cent. either way—from the 50 per cent. rule.

Page 100.

Nuzeer Ahmud writes (and I transcribe his remarks in full to call special attention to them, as coming from a Native gentleman of experience and character):—"As for altering the proportionate value of the Government demand, it is the worst thing that can be advised. The Government have lost much of the confidence of its subjects in tax matters, and even a very slight increase in the rate of the land demand will destroy what remains. The moiety of assets, looked at with due regard to the strictness of its realization, the increasing tendency of the people to undertake agricultural occupation, and the general prosperity of the country, seems to be the fairest share that Government may reasonably demand.

"As to the working of the past settlement made under Regulation IX. of 1833, it cannot be taken as a criterion of the bearing of a new settlement upon the zemindars. There was at that time a large margin of cultivable waste left at the discretion of the land proprietors. But the case is now otherwise, and there is very little cultivable waste to meet any excessive demand.

"Besides the cultivable lands, the rise in rent-retes subsequent to the last settlement has been too great to be expected in future, and therefore no analogy exists between the two settlements."

Page 102.

Mr. Webster, while illustrating the rise in the rent-roll in Goruckpore since 1865-66, by which the Government demand, which then fell at 50 per cent., now falls at 39 per cent. only, does "not advocate any attempt to obtain a larger share." His argument seems to be that whatever rise in rents the Settlement Officer may, under existing instructions, assume, the actual rise will be and is much larger: but that by the next 25 or 30 years rents will pretty well have reached a stable equilibrium. "I would then accept as a necessary evil the fact that the share taken by Government is not, and cannot at present be, 50 per cent. of the rental, being assured that this is a state of things which will be nearly if not entirely remedied by the time that it became necessary again to revise the settlement of these Provinces."

Page 108.

Mr. E. Colvin (Pillibheet), after furnishing statistics of the incidence of the former settlement, says:—"The fixing of the present demand at 50 per cent. of assets has reduced the income of the landlord about 20 per cent.; and if two-thirds of the rental had been now taken as revenue, the decrease would have been Rs. 2,74,968, or 46·4 per cent. To realize this, the best plan is to imagine the uproar if an income-tax to that extent had been imposed." Is the landlord, the 'deliberate creation of Government,' to be maintained? "To increase the ratio of the Government demand would be to destroy many. Some would be merely impoverished, remembering their former greatness, and indignant with the Government which had within a century made and marred them. The possessions of the rest would eventually pass into the hands of the moneyed classes, at prices diminished in proportion to the increased demand on the estates." He would not leave much discretion to the Settlement Officer.

Page 111.

Mr. Wilson (Budaon) thinks 50 per cent. should be the limit, but under certain reservations, subject to the Board's orders on special references.

Page 115.

Mr. Currie (Shahjehanpore) draws attention to the extreme punctuality enforced in the realization of the Government demand, and how little suspension is allowed, even in cases of famine. "Government might take 70 per cent. in a good season if it would reduce its demand to 30 or 35 per cent. in a bad season, and the zemindars and assamees would all be better off than they are now." Practically, after calculation of all cesses, the share of the rental left to the proprietor is only 42½ per cent., and in the case of small sharers only 40 per cent. The former assessment of his district, though nominally at 66 per cent. of the assets, was in reality much less; and even then had in many instances to the lowered. Where the assessment *was* in name and reality 70 per cent., its incidence was reduced by "a very considerable margin of cultivable waste." He would retain the general rate of 50 per cent., falling to 45 per cent. in coparcenary

TEMPORARY SETTLEMENTS. Question I. Adequacy of Government share of the assets.

estates, where proprietors are numurous, or to 40 per cent. if a great increase is asked for on the old demand, and rising to 55 where the proprietor is a "speculator or money-lender," not of an old agricultural family.

Page 131.

Mr. Moens (Bareilly) points out that the former settlement "in several pergunnahs was a very light one. It was made solely on the cultivated area, so that the entire profits arising from extension of cultivation went to the zemindar, and rapidly pulled down the incidence of the jumma. The present scale of assessment of the nominal 50 per cent. is to the full as heavy as the old one of 66, making up the account." This he brings to 59 per cent., and adds that there are also income-tax and miscellaneous expenses, with no available reserve of waste, and a far more searching inquiry than formerly into assets, which are based, moreover, not on the rents actually given in by the zemindars, but on the amount that can fairly be added to the rent-roll, by enhancement of rents to the prevailing standard after assessment. "My own opinion, and I have had a long experience in the district, is that the present scale of assessment is a high one, instead of being so immoderately low as is sometimes supposed." He would not have differential rates of assessment for wealthy or needy proprietors.

Page 149.

Mr. Buck (Cawnpore, but writing of Furruckabad) thinks the "present quota of demand (50 per cent.) dangerously near the safe limit. . ." The assessments just concluded in Furruckabad are more nearly two-thirds of the assets than half. From the selling prices of land he infers the fact that "the profits after payment of the revenues must be considerably lower than the revenues." He is decidedly of opinion that large estates should pay more than small ones. His views on this point are peculiar, and I transcribe them in full:—

"All the large estates in the Furruckabad District were acquired by fraud or violence shortly before cession, and I have no sympathy for the ancestral titles of those individuals whose sires were lucky enough to be confirmed in the possession of estates so acquired by the accident of the transfer of the Provinces to the British Government. Apart from this consideration, I think it is an evil that unwieldy estates should be in the hands of single individuals, whose inability to superintend the collection of their rents, and the improvement of their land, requires the assistance of an intermediate body of managers, who eat up a considerable portion of the assets. I propose that every proprietor whose revenue, at 50 per cent., exceeds a certain amount (say Rs. 5,000) should pay an extra revenue of 15 per cent. on the surplus, the extra revenue to be removed on the *bonâ fide* transfer of any part of the estate to a purchaser. Collusive transfers would no doubt take place in some cases, but collusion would endanger the rights of the transferrer, and would of course be penal. In making such an arrangement, allowance would be made in cases where estates have been purchased since last settlement; but purchases before last settlement were made when the extra 10 per cent. *was* charged, and do not require any consideration."

Page 160.

Mr. Ridsdale (Etah) says that although the proportion of 66 per cent. of the assets "was reduced for the present revision of settlement to 50 per cent., it is demonstrable, at any rate with regard to the Etah District, that owing to the large amount of cultivable waste available at the time of the original settlement, the actual incidence of the assessment, even when professedly leaving only one-third of the assets as profits to the zemindars, was really less heavy than the assessment now calculated on half assets." For the whole district taken together, the incidence of the present half assessment is 28 per cent. heavier on the cultivable area than the previous settlement at 66 per cent. He thinks it the soundest policy to have one fixed standard of assessment for all full conditions of proprietary right, such as those ordinarily prevalent in these Provinces. "Where proprietary right is more imperfect, or where it is to be in some measure newly conferred, a higher standard may fairly be adopted." For backward tracts, he would revert to the system of progressive demands.

Temporary Settlements. Question I. Adequacy of Government share of the assets. Page 163.

Colonel Ternan (Jaloun) as far as that district is concerned "considers the present standard of assessment at 50 per cent. of the rental assets left to proprietors as not excessive."* The farmer lives from hand to mouth, bears all the risks, has but small profits. The old settlement at 66 per cent. of the assets was unbearable. He would not leave to Settlement Officers any discretion of departing from the 50 per cent. rule.

Page 169.

Mr. White thinks 50 per cent. of the rental assets a not inadequate share to take for the State. Practically, only 36 per cent. is left to the proprietor. He illustrates the smallness of holdings and individual profits, and draws attention to the bearing on profits of the usurious interest of the village money-lender, with all it implies. The last settlement, fixed at 66 per cent of the assets, soon fell with a decrease of cultivation to a far lower ratio. "I know of no case where 66 per cent. of the assets has formed a permanent, or nearly permanent, proportion of assessment during a number of years. It has always been early eased by the help of plenty of readily available cultivable land. This resource has been pretty well exhausted now, and therefore such a high rate of assessment as 66 per cent. is no longer possible, unless our landlords are to be improved off the face of the earth. Fifty is as much as we can take, and they live." He would deprecate a higher standard of assessment for talooks and for imperfectly cultivated tracts, and would have gradually progressive jummas.

Page 178.

Mr. Hobart "thinks the present standard of 50 per cent. a good one, but the Settlement Officer should be left to exercise his own discretion."

Conclusions to be drawn from the Summary.

26. It will be seen from this summary of opinions that there is a great *consensus* on this first question: the general applicability of the half-asset rule. Mr. Keene's proposals I do not think I understand. I cannot trace the practical mode in which he proposes to adjust rents; and I think he does not make sufficient allowance for the elasticity of the present mode of calculating assets.

Extract from Note written in 1871.

27. On the main question, my own views have already been expressed in the Note I wrote in April, 1871, when the Government of India first publicly expressed a desire to question the 50 per cent. rule. My argument was very roughly handled at the time by the Press; but the facts furnished, and the views adopted by the officers whose reports are now before the Board, are identical with those then stated. I shall content myself with quoting extracts from what I have already said, for I see no reason to add to or alter it:—

"The objections urged are twofold:—

"1*st*.—That whereas under the Settlement of 1841 we took 66 per cent. of the rental, we now take 50 per cent. only.

"The inference suggested by this is, that if during thirty years the landlord could pay 66 per cent., it was a waste of public revenue to limit the demand to 50 per cent.

"To ascertain this, we must ascertain what is the entire demand upon the landlord. Government not only takes from him land revenue, but local cesses for the repair and maintenance of his roads, for the education of his own (and his neighbours') children, for postal communications, and for village police. It compels him to maintain at adequate wages an accountant to regulate the village accounts, and to keep up, for the satisfaction of the landlord and of Government, an accurate register of proprietary holdings and changes. It binds each shareholder also to remunerate the headman whom he has elected to represent him in his dealings with the officers of Government, and to collect from him and pay into the public treasury his quota of the public revenue.

TEMPORARY SETTLEMENTS. Question I. Adequacy of Government share of the assets.

"When we have ascertained the sum of these demands, we shall be in a position to pronounce upon the share of the rent which is left to the enjoyment of the landlord. The account stands thus:—

Land-revenue,	...	...	...	50 per cent.
Local cesses,	...	...	...	5 ,,
Village Accountant,	...	...	...	2½ ,,
Headman,	...	...	...	2½ ,,
		Total,	...	60 per cent.

"When, therefore, Mr. Campbell says that we now give the landlords one-half of the rents as their share, and when Mr. Strachey adds that we take 50 instead of 66 per cent., they fail to represent the fact correctly. It is not a half, but two-fifths only of the rental that is left to the landlord. In one form or another, Government takes 60 per cent. of the rents from the landlords. * * * *

"It has thus been shown that it is entirely inaccurate to say that we take 50 per cent. of the assets only, and the real incidence of the demand has been illustrated. It remains only to explain that the vulgar assertion that the thirty years' settlement just concluded fell at 66 per cent. of the assets involves a fallacy which vitiates any conclusions it may be sought to build on that assertion.

"In the first place, it must be remembered that the assessment made at 66 per cent. broke down in a large number of districts: in Furruckabad, for example, in Mynpoorie, Banda, Humeerpore, Bijnour, Futtehpore, Budaon, Jhansie, Jaloun, Etah, and Allahabad, as well as in parts of Bareilly, Meerut, and Moozuffernuggur. It may be urged that those settlements broke down, not because 66 per cent. was taken, but because more than 66 per cent. was taken. This is matter of speculation. The fact remains. In Banda, for instance, the assessment was *twice* lowered, and was reduced from 20 to 13 lacs. In Karaoli (Mynpoorie) 14 per cent. of the demand was abandoned; in Chibramow (Furruckabad) a similar amount.

"In the first ten years of that settlement land bearing revenue amounting to 9 per cent. of the entire demand changed hands in Chibramow (Furruckabad); in Ghiror (Mynpoorie), 38 per cent. of the cultivated area changed hands; in Atrowlee (Allygurh), 25; in Furreedpore (Bareilly), 69 per cent. of the land revenue (apart from confiscations). Out of a total of 241 estates in Furreedpore, 84, or 35 per cent., were farmed for arrears in the first ten years of the settlement.

"But the main reason why no argument can be drawn from the working of a thirty years' settlement at 66 per cent. of the assets is, that no such thing as a thirty years' settlement at 66 per cent. of the assets has ever been known. Before many years had expired from the conclusion of the former settlement, the extension of the cultivation and of irrigation had reduced the Government share of the assets to 50 per cent. In course of time it fell in many districts as low as 40 per cent., as will be clearly seen when it is remembered that, in order to raise the Government demand to 50 per cent. of the rental, an addition of 25 per cent. has in many cases had to be made to the existing demand.

"How large the increase of cultivation since the previous settlement has been may be gathered from the following data supplied by the *Revenue Reporter*:—

District.	Pergunnah.	Percentage of increase.
		Per cent.
Furruckabad, ...	Chibramow, ...	40
Ditto, ...	Pahara, ...	11
Ditto, ...	Khakutmow, ...	11
Ditto, ...	Shumshabad, ...	35
Ditto, ...	Kumpil, ...	44
Fillibheet, ...	Jehanabad, ...	32
Bareilly, ...	Crore,...	38
Ditto, ...	Serolee, ...	47
Ditto, ...	Bulia,...	27·50
Ditto, ...	Aonla, ...	72
Ditto, ...	Suneha, ...	27
Mynpoorie, ...	Karaoli, ...	69
Ditto, ...	Ghiror, ...	18
Allygurh, ...	Atrowlee, ...	11·50
Ditto, ...	Koel, ...	5·50
Etawah, ...	Paphoond, ...	7

"A glance at this table shows, apart from all other disturbing causes, how futile must be any argument based on the assumption that the prosperity of the country during the settlement now expiring, or expired, and the incidence of the demand at 66 per cent. of the assets, are in any way connected with each other. In the only pergunnahs in which the increase is less than 10 per cent. the reason is expressly stated.

"*Paphoond.*—The great reason why there has been no large increase of cultivation is the simple one that very little land of average quality was uncultivated even at the last settlement. The cultivation, including the new waste, now amounts to 82·5 per cent. of the assessable area; and unless some method is devised of fertilising oosur plains, that area has, I think, been stretched to the utmost.

"*Koel.*—The cultivated area is a little above 90 per cent. of the cultivable. At the time of settlement this tract of country was thickly inhabited and highly cultivated, and it does not appear that under any circumstances much extension of cultivation could have been expected.

"Apart from the increase in cultivation, there has been a large extension of irrigation in the Meerut, Agra, and Allahabad Divisions, and latterly there has been a marked and rapid rise in prices. Greater security has doubtless enhanced the value of land; but the following figures show how enormously the price of land rose after 1840, and indicate the gradually relaxing pressure of the Government demand upon landlords' profits:—

District.	Pergunnah.	Year.	Price per Acre.
			Rs. a. p.
Furruckabad, ...	Chibramow, ...	1836-50	4 3 10
Ditto, ...	Ditto, ...	1851-60	9 0 11
Ditto, ...	Ditto, ...	1861-68	12 5 6
Allygurh, ...	Atrowlee, ...	1839-48	7 0 3
Ditto, ...	Ditto, ...	1849-58	11 1 11
Ditto, ...	Ditto, ...	1859-67	11 11 8
Mynpoorie, ...	Ghiror, ...	1840-50	3 14 5
Ditto, ...	Ditto, ...	1850-57	6 5 8
Ditto, ...	Ditto, ...	1858-68	12 13 11

"When, therefore, the experience of an assessment at 66 per cent. and the large *ad interim* growth of landlords' profits are spoken of in the same breath, there is an obvious confusion and contradiction. If the thirty years' settlement has furnished us with experience of a settlement at 66 per cent., there has been no increase of assets. If there has been an increase of assets, there has been no experience of a settlement at 66 per cent. of the assets.

"Read by the light of the information thus given us, the lesson to be learnt from the last settlement would seem to be this:—At its commencement, while it fell at 66 per cent., it was unendurable. Reduction followed on its heels, and a dangerous and startling transfer of landed property. Bye-and-bye, cultivation extended, and the ratio of the Government demand fell. The settlement succeeded, not because it was moderate at the outset, but because circumstances eventually brought it to moderation. When, therefore, Mr. Strachey says—'The proof that the demand (at 66 per cent.) was not excessive, seems to me absolutely complete: the best proof that can be given consists in the fact of the vast progress in wealth and prosperity which the North-Western Provinces have made during the last thirty years, and in the growth of private property in the land of immense value,' he begs the point at issue. The proof that the demand (at 66 per cent.) is not excessive is, of course, that it is paid. But, as a matter of fact, in many districts it was not paid, and could not be paid, and had to be revised; or, where the demand was not revised, it was paid during the first ten years at the cost of sales, auctions, and mortgages. When it came to be regularly

TEMPORARY SETTLEMENTS. Question I. Adequacy of Government share of the assets.

paid, it was either because the demand had actually been lowered, or because the extension of cultivation had virtually lowered the demand. The 'vast progress' was *post hoc*, not *propter hoc*. It owed its existence to the margin of cultivable land, not to the tender mercies of a 66 per cent. settlement.

"The conditions under which it was resolved to take 66 per cent. of the rental had disappeared when, in 1854, the North-West Government resolved to reduce the proportion of the Government demand. The large margin of cultivable land previously existing had been mostly brought under the plough. It is true that irrigation schemes were on foot, and there was faint talk at Calcutta of railways; but that the whole aspect of the North-West would in ten years from that time be revolutionized was what no one could have foreseen. All that could be known to the Lieutenant-Governor of 1854 was, that the land reserve, against which the landlord could in 1840 draw for the ensuing thirty years, was approaching exhaustion. The conditions, therefore, under which it was possible for the landlord in 1840 to accept a demand at 66 per cent. had disappeared, and, so far as could then be seen, no compensating conditions had taken their place. If we are to revert to engagements at 66 per cent., the argument from experience can be maintained solely on the ground that what the extension of cultivation promised in 1840, a prospective rise in the rent-rate promises in 1870. To estimate the probability of this, we must see how far a rise in the rent-rate has been taken into consideration by our Settlement Officers, and what is the further margin of probable increase which circumstances would justify us in expecting."

28. I may add here that the old settlement which fell on the resettled parts of the Province 30 years ago at Re. 1-14-1 per cultivated acre had fallen at resettlement to Re. 1-6-1, and with it of course the alleged 66 per cent. of the assets, which we are asked to believe was the continuous ratio of the old settlement. The assessments of the present revision of settlement take, I believe, as Mr. Buck has pointed out, much more than 50 per cent. of the present assets. We have, as a matter of fact, drawn largely on the rent rise, though we expect that such rise will follow more or less speedily on the new assessment, and that it is sufficiently foreshadowed by the cases of increase which have already come under our observation.

Objections to differential assessments.

29. I do not think we can adopt a differential ratio of assessment. We assess on the land, not on the turban. The largest properties subdivide: the smallest properties pass into single hands. The claim of the Government is on the assets of the soil, not on the assets of the proprietor. To graduate the assessment by the owners' means would be not to base it on the land, but on the land *plus* the proprietors' circumstances. The last element is one which an unscrupulous Government may admit, but which does not enter into the Eastern theory of the claim of the State on the soil. If the proportion varies, it is with the quality of the soil, not with the quality of the passing possessor.

TEMPORARY SETTLEMENTS. Question II. Government share of the assets.

30. To a progressively increasing demand in tracts where heavy enhancements have to be made I see no objection. The old objection to these assessments was that they were framed on the assumption of a progressive state of cultivation. When the time came to pay a larger demand the people said that cultivation had not extended.

Progressive demand.

The assessment was objected to as based not on existing, but on future assets. For this reason I would not have these progressive assessments in merely backward tracts, because if you forestall the results of present industry you discourage the further cultivation of the tract. You kill, in a word, the goose that is to lay you your egg. But where, as so often happens now, heavy increase has to be made in assessment from other causes, such as previous under-assessment or rise in rates, humanity and policy seem to me to suggest that the increase should be gradual. The treasury, however, which is not concerned with humanity, or with policy other than that of economy, would object to such a concession: and seeing that the majority of our settlements are concluded, it is late in the day to be discussing it. I pass to the second of the questions connected with temporary settlements.

31. "Question II.—It should be stated whether the operation of the Rent Law results in any measure in restricting the full demand for land revenue to which the Government may be justly entitled. It will be remembered under this head that the success of much of the operations of the assessing officer is tested by the degree in which they are upheld by decisions given under the rent laws. Is it *generally* the case that rents upon tenants with rights of occupancy are not raised by the Courts to such a standard as from facts noticed by the Settlement Officer, such as agreement between parties, value of produce, rates of rents paid by tenants having no right of occupancy, &c., may seem equitable and fair? If no such general cause of obstruction exists, in what degree does it exist? And what are the remedies, if any, which are suggested to remove it?"

Summary of replies.

Mr. Crosthwaite (Etawah) thinks that, except in very exceptional cases, the operation of the rent laws does not result in restricting the full demand for land revenue. But they do throw a very unnecessary burden on the landowner, and eventually on the tenant. He urges that the Settlement Officer should not only assess, but fix the rents that are the basis of assessment. He would fix all rents at the time of settlement, and for the period of settlement for occupancy tenants, leaving the rents of the tenants-at-will alone open to variation. "I am convinced that a measure of this kind would benefit the country at large, and is the only way of avoiding very serious agrarian troubles hereafter. It is hostile to English notions of rights of a landowner; but I am not sure that it is not more in consonance with the real constitution of property in this country than the present state of things; and if the rents fixed were adequate, the present benefits of the measure to the zemindars would counterbalance the prospective loss."

Page 85.

Page 57.

Mr. Patterson (Futtehpore) whose "only experience in enhancement has been in Allygurh," found there that the decisions of the Settlement Officers were always upheld eventually by the Civil Courts. "But I think that our success was exceptional, and that so uncertain is the working of Section 17 of Act X. of 1859, that a Judge with a theory might with perfect legality overturn all a Settlement Officer's decisions. What can be more unreasonable than the fact that the rent enhancement law does not allow what ought to be the most important cause of enhancement, *viz.*, that the public demand on the land has been increased? An executive officer now fixes the revenue on one set of principles; and a judicial officer fixes the rent-roll, on the payment of which the revenue depends, on another set of principles. I would be the last to injure the occupancy tenants, and indeed would be glad if the *status* of the mere tenants-at-will was abolished, but I cannot think the rights of the former were more sacred than that of the proprietors. And yet the demand on the latter is fixed by the executive officer: while even at time of settlement the position of the former can only be modified by the Civil Courts." I beg to draw especial attention to this extract, which seems to me admirably worded, and to place the difficulty in a nut-shell. He adds that where tenants with a right of occupancy are really entitled to hold at rates lower than double revenue rates, the proprietor should yet be assessed as if he were receiving full market rates. "I consider the State right to one half of the net profits sacred, no matter what parties may share in the remainder."

Page 66.

Mr. Carpenter (Allahabad) states that "the landlords of these parts have hitherto had no great incentive, in consequence of the lightness of the former demand, to press for enhancement; and, at the present stage of settlement operations, I am unable to say how far occupancy tenants of this class (*i. e.*, Brahmins, Chatrees—strong cultivating bodies) may be able to shelter themselves under the protective clauses of the law. I say nothing here about the impolicy of binding the Settlement Officer at the time of settlement in the matter of enhancements by the provisions of Act X. of 1859. This seems now to be admitted on all hands."

Page 89

Rai Buldeo Buksh does not think that the operations of the rent-law result generally in restricting the full demand for land revenue to which Government may fairly

TEMPORARY SETTLEMENTS. Question II. Operation of the Rent Laws.

be entitled, but the law is "rather nice and intricate," and its obscurity is increased by the conflicting interpretations of contending lawyers. In the permanently-settled districts (with which, by the way, the present question has nothing to do) the incorrectness of the village papers adds to the difficulty of determining rent suits.

Page 93. Mr. Wigram (Bustee) believes "that in practice the rent-laws do restrict the amount which the zemindar can get from his tenants," and furnishes an illustration within his experience.

Page 97. Mr. Reid (Azimgurh) reports that "the enhancement clauses of the rent laws have been very little used in the District Courts, but the action of the Courts in most of the cases that have come before them has been such as to keep up the belief that the rents paid by hereditary tenants cannot be raised." He awaits further experience.

Page 103. Mr. Webster says:—"I do not think that in this district the rent laws can be said to have had any direct effect in restricting the full demand for land revenue to which the Government may be justly entitled; in fact the law has been but little resorted to as a rent-raising engine, the average number of suits for enhancement of rent decided annually during the last five years being only 80, which, in a district containing nearly 8,000 estates, is a mere nothing." The indirect effect of the laws, the difficulties, that is, which they impose, "has been here as elsewhere mischievous."

Page 109. Mr. E. Colvin is of opinon that the operation of the rent-law "depends very much on the officers and their tendencies." "My experience is that the Courts are raising rents beyond the estimates of Settlement Officers. I have known a landlord complain bitterly against a rental incidence of 14 annas per kutcha beegah assumed by the Settlement Officer, and yet the tenants raised *en masse* to one rupee per acre. It has always seemed to me an anomaly that during settlement the appeal in adjusting rents should be to the Civil Court."

Page 111. Mr. Wilson (Budaon) does not "consider that the operation of the rent law has in any measure restricted the demand of land revenue."

Page 120. Mr. Currie (Shahjehanpore), while he does not think that the Goverment demand for land revenue has been restricted by the natural results of the operations of the rent laws, is of opinion that "under the existing law, Settlement Officers are placed in a false position." His remarks are much to the same effect as Mr. Patterson's, and he concludes:—"I should prefer seeing the Settlement Officers freed from the necessity of conforming to Act X. rules, and from the control of the Civil Courts, and permitted to fix rents as they now fix revenue, on the fullest consideration of all causes affecting the circumstances of the land; and it appears to me that any arguments justifying appeals to the Civil Courts should be almost equally forcible in justifying a similar appeal from the assessment of the revenue."

Page 133. Mr. Moens (Bareilly) criticises the "great and radical errors" of Act X., 1859: and the whole course of his experience in the settlement has shown him that the Revenue Courts did not as a rule raise the rates of occupancy tenants to anything like a fair and equitable rate. He would apparently wish competition introduced, pure and simple. "Why should the Officers of Government step in to fix the rent of land between landlord and tenant any more than the price of sugar between buyer and seller? I am for free trade in land as well as in its produce, and I am convinced that the cultivator would benefit in the long run." It would be a curious reversal of our Irish experience if it did. "In the long run" peasants increase and multiply: and I don't see how greater competition for land is to benefit competitors, whatever may be its effect on those who hold it in proprietary possession. To advocate free trade in land in Northern India seems to me in a Settlement Officer to argue a strange forgetfulness of the mode in which the respective interests in the land have grown and are growing under our rule.

Mr. Buck, after giving illustrations of the working of the first enhancing clause of Section XII., Act X. of 1859, concludes:—"The defect in the law is manifest. It does not allow the general rate of an under-rented tract to be lifted to a fair level. The remedy I propose is twofold: in the first place, a greater discretion should be allowed to Settlement and other experienced Officers on the extent of area from which puttee rates may be chosen; and in the second place, permission should be given to raise the rates payable by occupancy-tenants in some fair proportion to the rates payable by tenants-at-will, which tend to rise to a natural level by competition." Indirectly, we may infer that Mr. Buck thinks the present rent law does keep down the rent-rate, and consequently the revenue.

TEMPORARY SETTLEMENTS, Question II. Operation of the Rent Laws.

Page 161.

Mr. Ridsdale writes:—"The existing rent laws, by imposing a cumbrous, uncertain, and expensive procedure for enhancing the rents of mouroosee tenants, without permitting any reference to rents paid by 'unprotected' tenants, undoubtedly largely retard, and in many cases considerably prevent, the natural development of the rental, and thereby restrict the Government revenue, which is based thereon." He has "found in practice that the Courts have always hitherto maintained rents decreed with discretion with reference to the average rates of tracts where protected tenants largely preponderate." But all allusion to rents paid by tenants-at-will, or other natural standard of rent, are carefully avoided.

Page 161.

Mr. White thinks that to the extent in which they fetter the Settlement Officer, the rent laws interfere with a full assessment. His views are similar to those of Mr. Crosthwaite, Mr. Patterson, and others whose opinions I have quoted.

Page 171.

Mr. Hobart writes:—"In enhancement cases I do not think that sufficient stress is laid on Clause 2, Section 17, of the Act. If a sort of standard were set up for occupancy-tenants, and if their profits were limited to a certain amount of the produce, like those of the landlord (calculated, if necessary, in the current market value), as in my proposed scheme, and their rent could be enhanced and reduced thereto, it would be a plainer and simpler rule than that which obtains at present."

Page 178.

32. It will be seen that, on the whole, the opinion seems to be that the rent law, though it does from its provisions throw difficulties in the way of adopting a fair standard for the valuation and enhancement of rents, is worked as fairly as can be; and that the Civil Courts are in no way to be charged with anything like obstructiveness. The Board's views on this point are already before the Government of India, and will be found at page 88 *seq.* of my Memorandum on North-West Settlements. I need say nothing further here as to my own opinion, for the whole of my argument in that Note points to the inexpediency of leaving Courts of Law to adjudicate rents at time of settlement. The Rent and Revenue Code now about to the placed before the Council embody the views of most of the Collectors and Settlement Officers in these Provinces; and it is unnecessary in view of the action taken by the Local Government to dwell any more on this part of the subject.

Remarks on the above summary.

33. The third question put to officers was this:—

"III.—The extent to which, on theoretical grounds, in view of a settlement for a term of years, enhancement of rent-rates, beyond the present prevailing standard, is or may safely be assumed as a basis of assessment should be stated. The expediency of assuming at time of settlement any considerable rise in rents which is prospective only—in other words, of taking for an indefinite term of years a larger share than usual of the existing rental assets—must be weighed here with especial reference to the circumstances of each district."

TEMPORARY SETTLEMENTS. Question III. Assessment on speculative rents.

Mr. Patterson (Futtehpore), thinks "that Settlement Officers already go as far in this direction as is compatible with safety." The revenue assessed by them "should lead to a levelling up" to a standard based on rents paid in estates in which the ordi-

Page 58.

TEMPORARY SETTLEMENTS. Question III. Assessment on speculative rents.

nary motives causing under-renting are absent. "I would allow him the widest latitude in comparing tracts of similar fertility, and the Commissioner and Board, being from their position able to form a wider induction, can of course test his rates by comparison with those paid in districts with similar advantages. But it would, I think, be unsafe to assume, on purely theoretical grounds, a rise much beyond any rates actually paid."

Page 67.

Mr. Carpenter (Allahabad), while he would assume a prospective increase on the ground that rents have been hitherto for some reason inadequate and below the level of other similar tracts, would be very cautious in the case where rents, though previously adequate, have failed to rise with the rise in prices. "The estimate should be based rather upon known facts, such as the condition of the tenants, the extent of enhancement which has already taken place, and the like, than upon theoretical grounds."

Page 90.

Buldeo Buksh cannot recommend any such measure, and makes some important remarks on the impolicy of entering on mere speculation, or of adopting any course unintelligible to the people, which I shall quote under the next and final question.

Mr. Wigram (93) and Mr. E. Colvin (109) think that much must be left to the discretion of the Settlement Officer. Mr. Wilson (112) thinks any such scheme "dangerous."

Page 112.

Mr. Currie (Shahjehanpore) thinks the extent to which such an increase may be assumed "is the full limit to which rent-rates will rise immediately on the declaration of the revised jummas, *i. e.*, within a period of two, or, at the outside, three years from the commencement of the new assessments." "Any assumption of rise in rents beyond this, based even on the most plausible grounds, I look upon as dangerous, and to be guarded against."

Page 137.

Mr. Moens writes:—"Experience in all the recent settlements has shown that rents always do rise after the revision of assessment. The extent of that rise must depend on the special circumstances of the district. No general rule can be laid down." "The 'prevailing standard of rents' must form the basis of all rates for assessment."

Page 153.

Mr. Buck, "for several reasons, cannot think it would be safe to assume any enhancement of the rent-rates above the existing standard." His reasons are three,—1st, the enhancement of merely under-rented fields already causes sufficient increase on cultivation and proprietors; 2*nd*, the rent-law does not allow of it; 3*rd*, there is no certainty at present of what actually is the margin of profit left to cultivators, and that this margin is not likely to be reduced by a continual fall in prices.

Mr. Ridsdale (162) thinks any such system would be "very dangerous." Colonel Ternan agrees with him.

Mr. White (172) is "quite clear that there is no danger in giving Settlement Officers a discretional power on this point," but doubts if it is possible to lay down any hard and fast rules for invariable observance; the "probable results of the near future" only must be looked to.

Mr. Hobart (178) does not "think that any man can possibly foresee to what height prices will rise during the term of settlement. The system pursued at present appears to be the best that could possibly be adopted."

Remarks on the summary.

34. There could have been but little doubt what the reply to such a question could be. Settlement Officers already go great lengths in this direction. Recently, in two cases, the Board have been compelled to call the attention of the Assessing Officer to what seemed the extravagance of his assumptions. The rents to be taken as standards must be standard rents. Present rent may in a great measure be below these, but the certainty that they admit of enhancement will justify the Settlement Officer in assuming that on revision

of the Government demand enhancement will be made. But if these rents are casual; if numerically, or by the circumstances in which they were fixed, they do not give a reliable index of the probable rise in rents hitherto untouched, they cannot, with any policy, be accepted as the basis of assessment. In point of fact, as has already been stated, present settlements fall at much more than 50 per cent. of actually existing assets.

TEMPORARY SETTLEMENTS. Question III. Assessment on speculative rents.

35. Some officers, Mr. Keene for instance, and Mr. Ricketts, would, if I understand them rightly, base rents on a kind of farmers' valuation. They would try back to the system which failed under Regulation VII. of 1822. I should not have thought that this would have recommended itself to any officers who had read the record of previous trials on this head in the Board's Volume of Selections for 1872. It seems to me the wildest and the widest sea to venture over on which English Civil Officers could ever set sail. We shall see, when we come to Mr. Halsey's paper, how he, Sir R. Montgomery, and Mr. Hume—the former and latter certainly claiming special interest in agricultural matters—differ in their estimates of gross and net outturn. The project completely ignores, moreover, the custom of the country, the tenures, and the conditions restricting and regulating rent. You may fix what rent you like, but how are you going to get tenants of all classes to accept your valuation? The scheme could succeed only if the land were a *tabula rasa:* with Civil Officers as thick as leaves, and as expert as Mr. Mechi.

36. The last question refers to—

"IV.—The expediency of leaving the assessments open to enhancement or re-adjustment during a term of temporary settlement, in consequence of the diminished value of the precious metals, or other causes, such as those enumerated in para. 25 of the Government letter, with effect of canals and other public works upon the assessment of the land revenue."

TEMPORARY SETTLEMENTS. Question IV. Open Settlements.

Mr. Crosthwaite writes:—"As to leaving the assessments open to re-adjustment during the currency of the settlement, upon any ground whatever, I think that it would destroy the confidence of the people entirely." Mr. Moore (39) is quite opposed to the re-adjustment of the demand during the currency of the settlement. Mr. Patterson says:—"The essential point in the present system of long leases is the confidence felt by the agricultural classes that, for a generation, their position is secure. The policy has been successful, and has conferred on the country a hitherto unknown degree of prosperity. I deprecate the imposition of any additional demand during the term of settlement on account of any cause which does not directly increase the produce." In the case only of canals would he allow of any interference; and for these he would introduce in temporary settlements the system first advocated by Mr. Crosthwaite in the case of permanent settlement, and recommended for adoption by the present Lieutenant-Governor, then Senior Member of the Board of Revenue, in his Minute dated 10th May, 1861. "The proposal was to fix a rate representing the additional profit accruing to the landlord from canal-irrigation, and to apply this rate at stated intervals to the additional area brought under irrigation."

Page 35.

Page 59.

Mr. Carpenter cannot "express his opinion too strongly against any such measure." Rents do not rise steadily, but by jumps. A landlord does not take higher rents from his cultivators merely because prices have risen, but because after lapse of time he sees that they can pay more. "By continually meddling with the assessment, we should only defeat our own end."

Page 67.

Buldeo Buksh, to whose remarks on this head I have in a previous paragraph drawn attention, writes:—"The real cause for congratulation to the people, and the source of prosperity under the British rule, as contrasted with the former Governments, and felt by the generality of the ignorant masses, unaccustomed to thinking, is, that while the latter harrassed them with annual *tushkhees* assessment made on insufficient or ficti-

Page 90.

TEMPORARY SETTLEMENTS. Question IV. Open Settlements.

tious grounds, burdened them with numerous oppressive *abwab* cesses, and on the realisation thereof subjected them to the most rapacious underlings, in whose hands neither their persons nor property were secure,—under the former, although this last evil is not quite extinct, yet once they had the settlement of their estates concluded, they were free from the two former; enjoyed long, if not permanent, leases based on real facts (which, in truth, were long terms of peace and happiness), and had to pay a few and fixed cesses. Should the system of assessments, based on assumed speculative and prospective rent-rates be introduced in settlements, should the terms of temporary settlements be very much reduced, though there may be some inconsiderable increase of the Government demand, yet it cannot very likely fail to be at the expense of the contented feelings of the majority of the people, and may add to the evils complained of under the former Governments, the hardships of punctual and regular realisation of the dues, and of the penalty of forfeiture.

"The operation of an ordinary settlement takes such a long term of years to complete it thoroughly, causes such an extra drain on the mental peace and bodily comfort, and the moneyed resources of the people, that after its conclusion they are most in need of those comforts and enjoyments which an undisturbed long term of settlement, with moderate assessment under a good Government, can only confer."

"For the reasons above stated, I would not advise the expediency of leaving the assessments open to enhancement or to re-adjustment during the term of temporary settlement, contingent only on the diminished value of the precious metals, the creation of new centres of consumption, or the increased facilities of communication. The loss occasioned by the former may in a way be made up by additional appropriate taxes, and that by the two latter by introducing some kind of town or transit duty in the locality where it may be needed.

"The case with irrigation canals is different; their construction costs a great deal, and they are directly instrumental in imparting fertilising influence to the soil, and increasing its productive powers. A clause as to the re-adjustment of jumma, consequent on the opening of new canals of irrigation, may be inserted in the settlement administration paper. In other cases, leaving temporary settlements open to enhancement of jumma, howsoever just the measure may seem to be, is likely to deprive the people of the peace and tranquility of the mind, and is sure to keep them in a state of dread and suspicion, which, succeeding anxieties they have been suffering while the settlement was being made, must be very distressing. And after all in many cases it may be difficult to carry out those measures of enhancement so judiciously and carefully as to avoid hardships, and at the same time to assess a reasonable amount.

"Besides the system of short temporary settlements, or of open temporary settlements, liable to the enhancement of jumma during its term, on the increase of rental assets, is not likely to yield nearly as large a revenue as it may be at first expected by the most sanguine calculations. For, as has been stated in a preceding paragraph, by most of the proprietors discontinuing to take interest in the improvements of their estates, and the enhancement of rents during and about the close of a term of settlement, very little (generally not more than a third of the term) will be spent in the development of the resources of the estates, and even during that they cannot but be indifferently managed. Such a state of things, and the amount of expenses generally incurred in settlements, cannot ultimately contribute to any large gain to Government."

Page 93. Mr. Wigram "would strongly deprecate the plan of leaving assessments open to enhancement, as tending to unsettle and disturb the minds of landholders." "I would far prefer a short settlement for ten or fifteen years on the openly avowed reason that by that time a railway will be opened, or a canal in working order, to one which would keep the zemindars in constant uncertainty."

Mr. Reid would have no interference. "Whatever the length of the period for which Government makes the settlement, let the assessment be made according to present prevailing rates, and not be liable to change during the period of settlement." He discusses briefly the expediency of decennial settlements, and concludes that "on the whole it would be best, I believe, to let the present system of settlement stand as it is." Page 99.

Nuzeer Ahmud would "adhere to thirty years for the present, because the country is progressing fast. But the less you harass the people, the more you would strengthen their allegiance to the rule, and perhaps after one or two renewals of assessment fifty years will be a fair time to let the people rest." Page 100.

Mr. Webster thinks it "unadvisable to leave the settlement, when once completed for a term of years, open to re-adjustment on any ground whatever." The additional income would be "dearly purchased at the expense of the feeling of general insecurity and irritation which such proceedings would certainly produce among the people." Page 103.

Mr. E. Colvin thinks it "inexpedient to leave the assessments open to re-adjustment pending the period of a temporary settlement." "It may be safely said that there is nothing which unsettles the mind of agricultural society so much as the progress of settlement operations." Page 106.

Mr. Wilson agrees with him (112), and so does Mr. Currie (123).

Mr. Moens "would most earnestly deprecate leaving the assessment open to enhancement for any cause whatever during a period of temporary settlement. Any such reservation would at once, and with reason, destroy all feeling of security in the settlement, and would consequently depreciate the value of landed property." "It would be utterly impossible for the most expert land valuator to say by *how* much the rental of a particular village had improved from any one of these causes." But he subsequently excepts from this statement the case of canals, and proceeds to advocate a scheme for assessing canal-irrigated land at dry rates. "Government has the command of the canal-water, and can demand any rate it pleases for its use." He "fails to perceive a single objection to the plan." Space does not allow here an analysis of his scheme, but the objection which seems to me vital is, that you would have two Settlement Departments: the Settlement Officer assessing land, *not* on its rental value, as he ordinarily does, but on a fictitiously reduced rate; and the Canal Officer, who knows nothing of rent, attempting to reach the landlord's profits by rates imposed by his own lights, and with no other limit probably than the capacity of landlords to pay. The scheme is quite incompatible with a uniform Government rule of 50 per cent. of the net assets. Page 135.

Mr. Buck writes:—"Free permission to levy new demands by gradual increments would be a most useful measure. The suddenness of the increase is often oppressive, both to landlords and tenants. Mr. Maxwell, whom I have mentioned as an ex-proprietor of large estates, has told me that the immediate levy of a heavy increase has been felt by him as a great hardship, and that he could not create immediately a corresponding enhancement in the rent-roll without causing great distress to his cultivators." Page 153.

He would allow no other form of interference except in the case of extension of canal-water. He recommends a quinquennial revision of assessment in canal villages, and proposes a system for the adjustment of the demand, which, in the face of the new Canal Bill, I need not stop to note.

Mr. Ridsdale would have no interference for any cause whatever during the term of settlement. "Above all things, the certainty and inviolability of the settlement engagements, fixing absolutely the demand on the land for a specified term of years, ought to be maintained at all costs." Page 172.

Temporary Settlements. Question IV. Open Settlements. Page 172.

Mr. White similarly condemns interference on the ground of its effects on peoples' minds, but does not seem to object to an average rate for "extraordinary" canal revenue.

Remarks on summary.

37. The *consensus* of officers as to the impolicy of interfering during the term of settlement, except in the case of canal irrigation, is no more than was to be expected. Any one even superficially acquainted with the people must see how such a step would stamp out, as Nuzeer Ahmud puts it, "what confidence remains." Similarly, the measure of disconnecting the cesses from land revenue, however unanswerable on grounds of financial expediency, is, politically, in my opinion, a mistake. If it must be adopted, I think the cesses should be at any rate fixed for stated periods. The great host of petty owners draw no distinction between the different heads to which their payments are credited, or the mode in which they are calculated. They see that Government reserves to itself the right of increasing, during the term of settlement, their payments; and, as Buldeo Buksh says, the knowledge "deprives the people of peace and tranquillity of mind, and is sure to keep them in a state of dread and suspense." His Honor, in the letter to which the Board are now about to reply, has pointed out the difference between the effects of works directly increasing the *quantity*, or indirectly adding to the *value* of the produce, and it may be added that unless rents rise appreciably on the opening of a new rail or market, there can be no sufficient ground, even on the argument of the Government of India, for keeping open the term of settlements. But the rise in rents is a slow and uncertain process, and would probably be further retarded by the knowledge among proprietors that as soon as it was accomplished or even begun, a Settlement Officer would be popped on to the estate to make fresh "assumed rates," and theorize, at their expense, as to the sufficiency or otherwise of the rents actually enforced or contemplated. Increase of population is, in the sense used by the Government of India, one of the "causes, independent of the action of the occupant of the land," which increase the value of the land. Few causes would raise the rental value of lands more than a rapid increase in population. Few at the same time would so much reduce the profits of cultivators. The argument of the Government of India would justify us, nevertheless, in stimulating and justifying, during the currency of a settlement, under the competition of enhanced population, by a demand for increased revenue, the demand of the proprietor on his tenants for a rack-rent. This is carrying the position to an extreme, but I think it is a logical consequence of the views put forward in their despatch.

Conclusion.

38. The conclusion which I think may be justly drawn from the whole matter is that the time has not come when it would be fair or equitable, whether to the Government or the people, to introduce a permanent settlement; and that the question can, without injustice to the people (who really only want to have a little peace and quiet), lie over till our recent re-settlements are approaching their term. The people do not insist on a permanent settlement: the moment for granting it would be unfortunate. The Provinces are in a transition state throughout: rents are slowly adjusting themselves: the pressure of the revenue on landlords, owing to the difference in the inequality of rents at time of settlement, and their gradual future assimilation, will presently greatly vary. But the system of temporary settlement, with the aid of modifications now proposed in the rent-laws, is adequate as regards the treasury, and has given satisfaction to the people. Those settlements, however, should run for 30 years, as heretofore. If we are to have short-term settlements, and if these short-term settlements are to be open to enhancement on the plea of cesses, we may as well, so far as the people are concerned, declare our intention to have no term at all. The Government in these Provinces may not be getting that exact share of the outturn of the land which, were we Thakurs or Moguls, we might claim. But if the English Government leaves to the people more of the public rental than did its predecessors, it offers them infinitely less means of earning a living. No Government in the world, which wishes to preserve its existence, will insist on extorting with one hand larger revenues, while with the other it closes the door to employment; yet desiring, meanwhile, to enforce, and for the first time in the history of its subjects, to maintain, absolute peace and order. We must look at the matter by the light of 1872, and not by the dim religious laws of Menu. Moreover (though this is a considera-

tion which does not seem to oppress some of us), we are *pledged*. We have created property, we have respected tenures; we have, in a word, abandoned the right to push the proprietor aside, and to tottle up for him, by his threshing floor, the value and the yield of his acres. If our ignorance did not shrink from such a labour, our good faith might suggest the impolicy of it. Another reflection which must occur to us all is, that it is rather late in the day to be talking about the system of the North-West Settlements. We have nearly resettled the Province, and, except as a matter of ingenious speculation, I do not think we need at this eleventh hour consider whether we had not better undo all our work. If fifteen or sixteen years ago these matters had been proposed to us, the time might have seemed appropriate and expedient. But to agitate them now can serve little or no practical use, and only keep the people uneasy and the palm of Government for larger revenues itchy. The views of those who press for reconsideration seem to me to rest wholly on fiscal considerations, which are a part only, and not the largest part, of considerations of public policy. "Can you or can you not, in view of the economical revolution, squeeze more?" To which the true answer seems to me to be that, in view of the economical revolution, we certainly can; but that in view of the security of the country, the *salus reipublicæ*, which is the *suprema lex*, we cannot; and, I should like to add, we will not.

A. COLVIN.

December 31*st*, 1872.

APPENDIX ON MR. HALSEY'S MEMORANDUM.

1. I said in my Note that as Mr. Halsey had not categorically answered the Board's questions, it would be more convenient to reserve comments on his paper till the general question had been dealt with. Accordingly I now add some remarks.

2. It must be borne in mind that Mr. Halsey writes of the Cawnpore District only. He specially notices this when entering on the question of cultivators' profits and of prices, where he says:—"I will now proceed to discuss the questions raised by the Board, but, in doing so, I must be allowed to depart from the order in which they stand, for reasons which will become obvious as we proceed, *and premising that in all which follows I am referring only to the District of Cawnpore*, I shall begin, &c., &c." The circumstances of Cawnpore are peculiar. From A. D. 1778, as we read in the opening lines of Montgomery's Statistical Report, "a considerable body of troops has always been cantoned there, and for many years it was the principal military station in India." Now it is far less important as a military station. It was, moreover, the principal scene of those wholesale transfers of landed property for arrears of land revenue which occurred in the early years of our rule, and which led to the appointment of a Special Commission under Regulation I. of 1821. Both under Native Government and for many years under our own, we learn from the report referred to that it was very grievously over-assessed. In the Oudh days "the revenues of the country were anticipated; the tenures by which the amils and farmers held their possessions were most precarious, and the misery of the lower classes, excluded from all protection, was excessive." When we took over the district in 1802, "the first step was a false one—we raised the revenue." And when at length, after a succession of revisions, the revenue was about to be re-adjusted and the people to find relief, there came the famine of 1838. Great transfers had, meanwhile, taken place, and the district was in a depressed state. Cawnpore must not be taken, any more than the other extreme we have recently seen quoted, Boolundshuhur, as "an example of what is very generally going on."

3. Mr. Halsey seeks to establish the following main positions:—

'1*st.*—That on an average the margin left for the cultivators' subsistence is less than the value of the labour he has expended on his land.

2*nd.*—That there has been no rise in prices, *quoad* the principal staples of the district, during the past fifty years.

3*rd.*—That therefore there is no ground for assuming any considerable prospective rise in rents.

4*th.*—That in view of the selling prices of land, the rental profits now left to the proprietors are small.

5*th.*—That there being no prospect of a rise in rents, and little profit from the land, the present demand should be lowered, and then made permanent.

4. On the first point there has been some misapprehension. Mr. Halsey has been understood to say that cultivation is carried on at a loss. He does not say this, but expressly guards himself, by writing, in reference to his statement of outturn and cost:—"Supposing this statement then stands the test of criticism, it will be manifest that *if* the cultivator of this district had to pay for labour, he could not cultivate at a profit."

5. To say of a peasant cultivator that "*if* he had to pay for the labour of himself and his family, he could *not* cultivate at a profit" is a truism, and a position which no one would for a moment deny. If a man, whose sole business in life it is to cultivate, pays another man to do his business: in other words, if a man carries on his work under conditions in which it never *is* carried on, he certainly cannot expect a profit. This, however, is the condition under which Mr. Halsey calculates the profits of his

cultivator. Again, if Mr. Halsey debits the head of the family with wages paid to its members for assistance in cultivation, he should correspondingly credit the members of the family with the wages received from its head. The margin left for the family's subsistence, in other words, cannot be less than the sum received by the family.

6. The cost of cultivation Mr. Halsey divides into—

Seed.	Bird-scaring.
Ploughing, sowing, and manure.	Reaping.
Weeding.	Thrashing and clearing.
Watering.	Rent.

Excepting seed and rent, the whole of these expenses are supposed by the statement to be performed by hired labour, and paid for in cash. Rent in the case of wheat is put at Rs. 8 per acre, and seed at Rs. 2, in all Rs. 10, out of a total cost of Rs. 44-11-0, leaving Rs. 34-11-0 as the portion of the expenses borne by hired labour and paid for by our peasant cultivator. The value of the produce is put at Rs. 37. Actually, and as a matter of fact, the balance on an acre, after deducting money payments, will by this calculation be Rs. 37 *minus* 10-0, or Rs. 27 per acre. Mr. Halsey works it out at Rs. 7-11-0 loss.

7. If the object of his figures is to establish the position—" that on an average the margin left for the cultivator's subsistence is less than the value of the labour he has expended on his land "—he should have credited to the subsistence fund of the family the value of labour which he has debited against its head. But if Mr. Halsey wants to show that, as a matter of fact, rents cannot be raised higher, what he should have given was an estimate of the *bonâ fide* costs of cultivation on the average area of a peasant cultivator, showing the average produce and the margin which remained for subsistence after deduction of all cost of cultivation, the average of the family, and an estimate of the cost of subsistence. As it stands, the calculation is beside the question, while the extreme difference between his calculations, and the other two quoted, throw a common doubt on the accuracy—even for such purposes as they may be meant to serve—of all three. As Mr. Ricketts has pointed out in his letter, Mr. Halsey, in his three calculations in this one letter, gives three different estimates of outturn.

8. The second position is that there has been no rise in prices, *quoad* the principal staples of the district, during the last fifty years.

Before saying anything about the prices given in Statement B., it may be pointed out that, as a matter of fact, the figures show that prices *have* risen, and in some cases very considerably. The rise is as follows, ranged in the first and last periods given in the statement:—

	Wheat.	Barley.	Gram.	Dal, Urhur.	Jowar.	Bajra.
	Md. S. C.	Md. S. C.	Md. S. C.	Md. S. C.	Md. S. C.	Md. S. C.
					1841-50.	
1823-1830, average price, ...	0 24 5	0 36 6	0 33 4	0 30 4	1 5 9	1 3 8
1861-1871, do. do., ...	0 22 13	0 30 12	0 25 14	0 31 2	0 27 5	0 24 2
Amount of rise per rupee, ...	0 1 8	0 5 10	0 7 6	*Nil.*	0 18 4	0 19 6
Percentage, ...	6·	15·	22·	*Nil.*	40·	44·

How, in the face of these figures, Mr. Halsey can commit himself to the statement that " *there has been no rise in prices*, quoad *the principal staples of the district, during the past fifty years*," I cannot conceive. For two of these staples he only gives figures for thirty years. But comparing the extremes of the period given, there is shown

in every case but one a rise, and in the case of the three staples forming the chief food of the cultivating in common with the rest of the lower classes, a very extraordinary rise. He says,—"This list of prices shows a result very different from the generally received opinion as to a rise in prices;" but it seems to me to show results in the case of four staples identical with those of other inquiries, *viz.*, that the rise in prices has been very great. The ordinary method adopted by Settlement Officers is to compare the first with the last ten years of the recent Settlement. Contrasting similarly with Mr. Halsey's last period the corresponding initial period, the identity of Mr. Halsey's figures with those of other officers is infinitely more striking:—

	Wheat.	Barley.	Gram.	Dal, Urhur.	Jowar.	Bajra.
	Md. S. C.	Md. S. C.	Md. S. C.	Md. S. C.	Md. S. C.	Md. S. C.
1841-51,	0 29 1	1 1 7	0 34 9	1 0 7	1 5 9	1 3 8
1861-71,	0 22 13	0 30 12	0 25 14	0 31 2	0 27 5	0 24 1

9. Mr. Halsey, it is true, speaking from his own experience and from "general report," says that the harvests in the first decades (*viz.* 1840-50 and 1850-60) were above rather than below the average; but that would only show, even if general rumour did not also say that during the last ten years harvests had been below the average, that the *bonâ fide* rise during the last thirty years has not been so great as it seems. It does not touch the question of the rise during the last *fifty* years, or the comparison of the term of 1823-30 with that of 1861-71.

10. As to the table of prices, neither Sir R. Montgomery nor Mr. Halsey say what the weight of their seer is. I suppose it is the same. But a study of the table shows that the reason of the comparatively small rise in prices in some staples is not that the present prices are at all lower than in other districts, but that in 1823-30 prices were exceptionally high. And two points must be noted here.

11. In the first place, the prices are apparently those of the Cawnpore City. And as we have already seen, for many years after the introduction of our rule, Cawnpore was one of the *largest military cantonments* in India. This explains the disparity in the comparative prices of wheat and the inferior staples; and, if the tables are accurate, accounts in a measure for the high prices of wheat which ruled from 1823 to 1830.

I have drawn up a comparative table from Mr. Buck's diagram, showing the prices ruling in Cawnpore and the neighbouring district of Futtehgurh from 1823 to 1870. The seer of Mr. Buck's statement has been reduced to the Government seer. A glance at the comparative figures of the first and last few years will show that the high prices of the Cawnpore City found no parallel in Futtehgurh.

12. But in the next place, and this is far the most important of the two, it will be seen from Mr. Halsey's table that prices rose suddenly in 1826-1827. Mr. Halsey makes no mention of the fact, but a reference to Mr. Girdlestone's Famine Report (pages 33 *seq.*) will show that 1825-26 and 1826-27 were years of excessive drought and distress over all the districts above Cawnpore. Mr. Halsey has included in the first *eight* years, which he compares with the years 1861-1871, *two* years of high prices plainly traceable to that drought, entering in the eleven years of his last average only 1861, a single year of exceptional prices, which scarcely affects the average of those *eleven* years. He should have struck out 1826 and 1827 from the first eight years, and 1861 from the last eleven, to get at the normal price of wheat, which would then have stood as follows:—

1823-30 (omitting 1826-1827), ...	= 27-1
1862-71, ...	= 22-11
Increase per cent., ...	= 17

13. I give figures to show for the first and last decade the number of times wheat rose or fell above 27 seers, which, deducting 1837, 1838, 1860 and 1861, as

famine years, may be taken as the medium, the price having fallen between 1823 and 1871 an equal number of times above and below 27 seers. The result is as follows:—

	Higher	Lower.
1823-1832, ...	4	6
1862-1871, ...	2	8

14. Compare this with the results of a similar analysis made by Mr. Buck at page 144; add that the period from 1823 to 1832 includes two years of extraordinary drought, that comparison with the intervening decades would be very much more against his assertion, and we can then appreciate the value of the deductions which Mr. Halsey draws from the figures before us.

15. The conclusion I come to is, that Mr. Halsey has misread his figures, and has wholly lost sight of the two causes which raised the price of wheat in the Cawnpore City in the first period marked off by him.

16. There is no need for discussing the third position until we can receive some more satisfactory explanation as to the first two. If the cultivator is rack-rented, and if prices have not risen, and (which is more important) will not rise, we need not expect larger rents. But the evidence furnished us on either is as yet quite inconclusive: and, so far as it goes, points decidedly the other way.

17. The fourth proposition is, that in view of the selling prices of land the rental profits left to the proprietors are small. This applies only to the Cawnpore District. The figures bear out the statement; but we also learn that selling prices are rising, and if we are to take selling prices as a gauge of rental profits, the rental profits are rising too.

The totals of the three decades are these:—

Private Sales.

	Area.	Jumma.	Prices.	Rate per acre.	No. of years
		Rs.	Rs.	Rs. a. p.	
1840-1850, ...	1,72,366	1,79,594	5,89,781	3 6 8	3·28
1850-1860, ...	93,141	1,30,006	7,05,582	7 9 2	5·42
1860-1870, ...	1,45,672	2,20,169	13,98,959	9 9 7	6·35
Total, 1840-1870, ...	4,11,179	5,29,769	28,11,122	6 13 4	5·30

Sales under decrees of Court.

1840-1850, ...	57,931	78,616	2,56,828	4 6 11	3·26
1850-1860, ...	36,622	47,916	1,98,387	5 6 8	4·14
1860-1870, ...	47,201	65,888	3,33,496	7 1 0	5·06
Total, 1840-1870 ...	1,41,754	1,92,420	7,88,711	5 9 0	3·96

18. The value of land, it will be seen, has steadily risen, though it is less than in many other districts. No one acquainted with these Provinces would, of course, suppose that Cawnpore is other than highly assessed. Nevertheless, not only the value per acre, as Mr. Halsey says, but the number of years' purchase, has steadily increased. Mr. Halsey thinks that the prices at sales give the best index. They ought not to. Land is often sold below its value at sales. Men very frequently will not bid against a decree-holder. The extent of prior obligations on the land is not always certain. The returns shown in Settlement Officers rent-rate reports generally (I may almost say invariably) show a higher price at private sales.

19. If rents have not risen, what has made the value of the land rise? Mr. Halsey answers, forgetting for a moment his own Table B. and all the rest of it:—"The

increased value of produce." No doubt; but it is not the reply one would have expected him to give. He goes on to say he is "perfectly satisfied it is not owing to any rise in rents." But so many figures and facts have "perfectly satisfied" Mr. Halsey in the course of this memorandum that one can scarcely accept his assurance of satisfaction on this head. There is nothing else especially requiring notice, I think. Whatever the merits of Mr. Halsey's views, they require stronger proof; and I do not see that his paper helps us much to a conclusion.

A. C.

Statement showing the prices of certain Food Grains (in Government seers) between the years 1823-1870, *in the Districts of Furruckabad and Cawnpore.*

Year.	Wheat.		Barley.		Jowar.		Remarks.
	Prices according to Mr. Halsey's table.	Prices according to Mr. Buck's diagram.	Prices according to Mr. Halsey's table.	Prices according to Mr. Buck's diagram.	Prices according to Mr. Halsey's table.	Prices according to Mr. Buck's diagram.	
	Mds. S. C.	Mds. S. C.	Mds. S. C.	Mds. S. C.	Mds. S. C.	Mds. S. C.	
1823, ...	0 19 11	0 28 0	0 28 6	0 39 3	(a)0 0 0	0 26 19	
1824, ...	0 24 4	0 30 12	0 35 7	1 9 0	(a)0 0 0	1 3 6	
1825, ...	0 26 9	1 2 0	0 35 6½	1 16 0	(a)0 0 0	1 30 0	
1826, ...	0 15 2	0 28 0	0 19 9	0 28 0	(a)0 0 0	1 0 9	
1827, ...	0 16 15	0 15 6	0 26 7	0 23 12	(a)0 0 0	0 30 12	
1828, ...	0 31 4	0 33 9	1 10 15½	1 30 0	(a)0 0 0	0 39 3	
1829, ...	0 33 1	0 37 12	1 15 1	2 4 0	(a)0 0 0	2 4 0	
1830, ...	0 27 10	0 32 3	1 0 2	1 9 0	(a)0 0 0	0 39 3	(a)No entries in the table.
1831, ...	0 26 1	0 35 0	0 35 2	1 4 12	(a)0 0 0	1 0 9	
1832, ...	0 30 0	1 5 8	1 5 9	1 26 8	(a)0 0 0	1 2 0	
1833, ...	0 28 10	0 39 3	0 39 8	1 17 6	(a)0 0 0	0 35 0	
1834, ...	0 26 3	0 28 0	0 34 10	1 4 12	(a)0 0 0	0 36 6	
1835, ...	0 28 1	1 9 0	0 39 10	1 26 8	(a)0 0 0	1 16 0	
1836, ...	0 24 12	0 35 0	0 32 3	1 4 12	(a)0 0 0	1 17 6	
1837, ...	0 19 0½	0 30 12	0 22 14½	1 2 0	(a)0 0 0	1 9 0	
1838, ...	0 15 8	0 14 0	0 17 8	0 16 12	(a)0 0 0	0 19 9	
1839, ...	0 21 0	0 33 9	0 29 0	1 11 12	(a)0 0 0	1 30 0	
1840, ...	0 22 8	0 29 6	0 33 0	0 29 6	(a)0 0 0	1 16 0	
1841, ...	0 24 0	0 28 0	0 30 0	0 38 8	(a)0 0 0	1 9 0	
1842, ...	0 25 0	0 26 9	0 31 0	0 36 6	(a)0 0 0	1 4 12	
1843, ...	0 28 0	0 35 11	1 1 0	1 16 0	(a)0 0 0	1 9 0	
1844, ...	0 27 0	0 32 3	1 0 0	1 3 6	(a)0 0 0	1 0 9	
1845, ...	0 25 8	0 32 3	0 35 0	1 5 8	(a)0 0 0	0 28 0	
1846, ...	0 24 0	0 35 0	0 34 0	1 5 8	1 5 0	1 6 3	
1847, ...	0 25 0	0 36 6	0 37 8	1 9 0	1 4 0	1 3 6	
1848, ...	0 37 8	1 4 12	1 13 8	1 30 0	1 3 8	1 16 0	
1849, ...	0 37 8	1 9 0	1 12 8	1 16 0	1 5 8	1 23 0	
1850, ...	0 37 8	1 3 6	1 20 0	1 16 0	1 10 0	1 16 0	
1851, ...	1 1 0	1 5 8	2 0 0	1 37 0	2 5 0	1 30 11	
1852, ...	0 32 0	1 6 3	1 20 0	1 30 0	2 2 8	1 9 0	
1853, ...	0 30 0	0 35 0	1 0 0	1 9 0	1 35 0	0 36 6	
1854, ...	0 31 0	0 25 3	1 1 0	0 28 5	1 15 8	0 35 0	
1855, ...	0 38 0	1 1 4	1 15 0	1 21 9	0 37 0	0 39 3	
1856, ...	0 36 0	0 35 0	1 7 8	1 2 0	1 7 8	1 16 0	
1857, ...	0 31 0	0 29 6	0 35 8	0 38 2	0 35 0	1 2 0	
1858, ...	0 30 0	0 33 9	0 35 0	0 36 6	0 22 8	0 39 3	
1859, ...	0 28 0	0 31 8	1 11 0	0 37 12	0 37 8	0 30 12	
1860, ...	0 15 0	0 24 13	0 25 0	0 26 9	0 34 0	0 23 7	
1861, ...	0 19 8	0 17 8	0 26 0	0 24 13	0 23 8	0 28 0	
1862, ...	0 30 0	0 35 0	0 39 0	1 6 3	0 35 0	0 36 0	
1863, ...	0 37 0	0 33 9	1 5 0	1 9 0	0 34 0	0 35 0	
1864, ...	0 23 0	(b.) ...	0 38 0	0 28 0	0 31 8	0 19 15	(b)No entry indicated in the diagram.
1865, ...	0 19 8	0 19 9	0 25 8	0 29 6	0 30 0	0 25 3	
1866, ...	0 17 0	0 19 9	0 24 0	0 29 6	0 29 8	0 23 12	
1867, ...	0 20 8	0 21 0	0 31 0	0 32 3	0 27 4	0 25 8	
1868, ...	0 22 0	0 22 6	0 32 8	0 30 12	0 22 8	0 23 12	
1869, ...	0 14 8	0 21 0	0 20 0	0 26 9	0 16 8	0 21 0	
1870, ...	0 17 8	0 21 0	0 27 0	0 28 0	0 23 8	0 19 9	

APPENDIX A.

No. 276, dated 26th May, 1871.

FROM

E. C. BAYLEY, Esq., C.S.I.,

Secretary to the Government of India, Home Department,

To

THE SECRETARY TO THE GOVERNMENT,

North-Western Provinces.

I AM directed to reply to your letters noted in the margin, regarding the settlements of the District of Boolundshuhur and of Pergunnah Baghput, in the District of Meerut. The Governor-General in Council regrets that it has been impossible to dispose of these cases at an earlier date. They involve questions of much difficulty and of the highest importance. They re-open, among other matters, the whole question of the permanent settlement in the North-Western Provinces, and they bring under consideration some of the essential principles on which the assessment of the land revenue in Northern India is conducted.

No. 280, dated 20th February, 1869.
„ 1232, „ 8th June, 1869.
„ 63A., „ 12th January, 1870.
„ 113B., „ 23rd March, 1870.
„ 1670A. „ 10th December, 1870.

2. It appears that the revision of settlement in the District of Boolundshuhur was commenced in 1858, on the assumption that it was to be made, in the ordinary way, for a term of years, and it was carried on continuously until 1864. In that year, in consequence of the discussions regarding the proposed introduction of a permanent settlement into the North-Western Provinces, a revision of previous operations was ordered, and in 1868 a further revision was commenced, in order to bring the settlement into conformity with the orders contained in the Secretary of State's Despatch of the 23rd March, 1867.

Not long afterwards the Lieutenant-Governor found reason to doubt whether the assessment proposed for the district was not altogether insufficient in amount, and he ordered Mr. Daniell, the Collector, to make a general inquiry into the subject.

The result is shown in these papers. Mr. Daniell believes that two-thirds of the estates in the district are assessed far below the recognized rate under which the Government is entitled to 50 per cent. of the net assets. The Government demand under the old settlement was £105,683; under the new settlement it is £123,353.

Mr. Daniell is of opinion that, if the 50 per cent. rule were now applied, the Government demand would be £141,353; in other words, that the State is losing £18,000 a year, and is taking only about 35 per cent. of the net assets instead of the 50 per cent. to which it is entitled. These conclusions are, in all essential respects, adopted by the Board of Revenue and by the Lieutenant-Governor. "It may be assumed," Sir W. Muir writes in his minute. dated 14th December, 1869, paragraph 16, "that if a settlement were now to be made in reference to present rentals, and the evidence now available as to assets, there would, in all probability, be an increase of about a lakh and three-quarters of rupees, more or less, *i. e.*, about 14 per cent. on the revised jumma."

The Lieutenant-Governor is, nevertheless, of opinion that the settlement should be confirmed. He states that he sees no reason to doubt that "the assessments were framed adequately, under the recognized principles of settlement, at the time when they were determined," and that the disproportion between the present assets and the Government demand is mainly due to the great and sudden rise in rents which has taken place since the assessment was fixed.

3. With regard to the causes which have led to this rise in rents, Mr. Daniell says that it "is not attributable to the increase of cultivation or irrigation, but, apart from any visible improvement, assets have increased to a great and certain extent" (report, paragraph 50). "The fact remains that at the time of settlement the rent-rolls were ascertained and believed to be 24·6 lakhs, and five years later they are estimated to be 28·2 lakhs" (paragraph 59). "The increase in income is not the result of local improvement. * * There is nothing whatever to show in any part of the district that any expenditure has been made to any appreciable extent either by landlords or tenants" (paragraph 73). "The determination of the Government demand is the one chief cause of rise, especially in villages which are free from any number of right-of-occupancy tenants, who may have hitherto been accustomed to hold at rather low rates. The fact of the Government demand having been fixed undoubtedly brought the land almost at once to its proper value. In other cases the value of the land has, I think, risen from the increased value of produce, and, in special circumstances, from the increased prosperity of any class of cultivators" (paragraph 76). Another cause is pointed out by the Lieutenant-Governor in paragraphs 18 and 19 of his Minute, dated 14th December, 1869. He says:—"It must not be lost sight of that the general prevalence of rents in kind, at customary shares by division or valuation, has had a tendency to stereotype rates, and to prevent the rise of money rents; and this was no doubt a potent cause of long depression of the rates of rent which prevailed in this district, notwithstanding its populousness, prosperity, and situation in the high lines of commerce. Moreover, as pointed out by Mr. Currie, the conversion of rents in kind into money rents,* an operation largely carried out by that officer, was a matter of great difficulty, especially in tracts where no money standard existed. The operation was generally managed by consent of parties, and the cultivator had to be conciliated as well as the proprietors. The standard assumed was probably even at the time low; and, with the increasing tendency of rent to rise, it is not to be wondered that proprietors have since been able to raise the rents settled by Mr. Currie."

* The original says—"conversion of money rents into rents in kind,"—but this is obviously an accidental transposition of the words, and the passage has been corrected accordingly.

4. This increase of rents having taken place since the assessment was fixed, the Lieutenant-Governor considers that the Government is bound to accept and ratify the settlement for the remainder of the term of 30 years for which it was originally made. This term expires in 1888-89, or in about eighteen years from the present time.

5. The question at issue is not, however, confined to the expediency of confirming this settlement for a term of years. The greater part of the Boolundshuhur District is declared to fulfil the conditions which, under the last orders of the Secretary of State, would authorize a permanent settlement to be made.

The Lieutenant-Governor naturally shrinks from the conclusion that the assessment which has been proposed in this district could properly be declared to be permanent, believing, as he does, the fact to be established that the total rental has increased during the last five years, since the assessment was made, by about 28 per cent., and that the increase is still rapidly going on. Under these circumstances, in presence of the obvious truth that a permanent settlement would involve an enormous sacrifice of future revenue, the Lieutenant-Governor comes to the conclusion that "the lesson may fairly be learned from the history of this settlement, that the two conditions enjoined by Her Majesty's Government for a permanent settlement are not sufficient." The whole question of permanent settlement in the North-Western Provinces is thus necessarily re-opened. In regard to that question generally, the views of the Governor-General in Council will be stated further on. In regard to the question, as it affects Boolundshuhur in particular, it is sufficient for the present to say that His Excellency in Council fully concurs in the Lieutenant-Governor's conclusions that the assessments which have been made in that district cannot be made permanent, and

that they cannot in any way form the basis of a permanent settlement. The practical question now is, whether the settlement is to be confirmed, as the Lieutenant-Governor has recommended, for the remainder of the term of 30 years, which will expire in 1888-89.

6. Much as the Governor-General in Council regrets the serious sacrifice of revenue which such a course involves, he cannot avoid the conclusion that the Lieutenant-Governor's proposal ought to be adopted. His Honor has satisfied himself not only by written reports, but by his own personal enquiries in the Boolundshuhur District, that there "seems no reason to doubt that the assessments were framed adequately, under the recognized principles of settlement, at the time when they were determined, and provisional arrangements entered into with the proprietors. The disproportion (he says) of the present assets is due, as set forth in my former minute, to the great and sudden rise in rents. Therefore, under the principles there explained, I am of opinion that the Government is bound to accept and ratify the settlement."

Assuming the accuracy of the facts stated in the papers now before the Government, His Excellency in Council can come to no other conclusion. That the amount of the revenue is so small is a consequence of the system of settlement followed generally in the North-Western Provinces; it is not the result of specially faulty proceedings in this particular district. Owing to the rise in rents, the increase in the prices of agricultural produce, the extension of irrigation, the construction of railways, and other similar causes, the country is now in a transition state; and if a new settlement were now to be made, and we were to fix the assessment at a sum fully equal to half the existing rental, we should probably, as His Honor observes, find "in a few years that what has occurred would be again repeated."

Nor can the other reasons assigned by the Lieutenant-Governor for confirming this settlement be overlooked, for they are of very serious importance. Settlement proceedings have, he says, "been now in operation, more or less, for ten years in this district. The uncertainty consequent on this state of things cannot but have kept people's minds in a most unsettled state, and prevented their devoting themselves, in the certainty of reaping the results, to the improvement of their lands by the investment of labour and capital. Any revision of settlement which would prolong this harassing condition is much to be deprecated. It is most desirable that this long period of excitement and doubt should be brought to a close, and energy and application of capital and labour again fostered by the confirmation of the settlement."

Whether the conditions under which settlements are now being made for a term of thirty years in the North-Western Provinces, give sufficient security for maintaining the just rights of the State, and for preventing the sacrifice of any portion of that share of the rental of the land which the State is entitled to receive, is a general question of a very serious character. It can hardly be denied that such instances as the present throw grave doubt upon the sufficiency of the existing system. It is clear that in Boolundshuhur the State is obtaining only about 35 per cent. of the rental of the land, instead of 50 per cent., which is now considered its equitable share, or instead of 66 per cent., which was the share taken by the Government when the former settlements for thirty years were made. As regards this particular district, I am to state that, while the Governor-General in Council accepts the Lieutenant-Governor's conclusion that the confirmation of the settlement is necessary, he does so with extreme reluctance, and only because he feels that the loss of revenue is in this case, a less serious evil, than that which would follow from the long delay which would attend any attempt to revise the principles on which the settlement has been made. It cannot be forgotten that sacrifices of the just rights of the State, such as those which have occurred in the present instance, not only confer no real benefit upon the country, but lead inevitably to the imposition of burdens, which, under a better system, would be unnecessary, upon other classes of the community.

8. It is desirable to notice here that the papers referring to the settlement of the Mozuffernuggur District, which have been received from the Government of the North-Western Provinces, exhibit still more unsatisfactory results, although of a somewhat different character. It appears that the settlement of Mozuffernuggur was commenced in 1860, and that operations have been going on ever since. A special enquiry, undertaken in 6 pergunnahs with the object of testing the results of the settlement, has satisfied the Lieutenant-Governor that the Government demand, which had been fixed at £38,000, ought to have been at least £48,000, so that there is a loss of revenue, in this portion of the district, of £15,000 a year, and the Government share of the assets is only about 32 per cent.

The Lieutenant-Governor has refused to confirm this settlement (Resolution, Government, North-Western Provinces, dated 25th March, 1870), on the ground that the assessment was originally inadequate, and never represented anything like the share of the assets of the land, which the Government, under the existing rules of settlement, was entitled to receive.

9. In acceding to the Lieutenant-Governor's proposition that the settlement of Boolundshuhur should be confirmed, the Governor-General in Council is of opinion that an important reservation is necessary.

It appears from Mr. Daniell's report that when the assessments were made in this district, the old system was still in force under which separate engagements were taken on account of the cesses for roads and other local purposes. Although these cesses were payable with the Government demand, and recoverable as arrears of land revenue, they were specified separately. This system was changed, under orders issued with the sanction of the Government of the North-Western Provinces, by the Board of Revenue on the 13th June, 1866. It was then declared that "the extra cesses for road, school, and dâk fund, and for the payment of chowkeedars, which have hitherto been demanded, will cease to form the subject of separate engagements, and, so far as the landholders are concerned, their liabilities will be limited to the consolidated demand, which will be rated at 55 per cent. of the net assets of their estates. The Government demand from the land will hereafter be fixed at 55 per cent. of the average net assets, and engagements will be taken for this amount only." Of this 55 per cent., 50 per cent. represents the Government revenue, and the remaining 5 per cent. is distributed among local cesses as follows :—

	Per cent. on net assets.			Per cent. on Government revenue.		
	Rs.	a.	p.	Rs.	a.	p.
Road Cess, ...	0	8	0	1	0	0
School, ...	0	8	0	1	0	0
District Post, ...	0	2	0	0	4	0
Municipal, ...	3	14	0	7	12	0
TOTAL, ...	5	0	0	10	0	0

10. It appears from several paragraphs in Mr. Daniell's report* and from the last paragraph of the Lieutenant-Governor's Minute, dated 19th March, 1870, that the Lieutenant-Governor proposes to introduce into the Boolundshuhur District this system of including all cesses with the Government revenue, and of taking a single engagement for the whole amount at the rate of 55 per cent. of the rental. This involves an addition to the total former demand of Rs 3-14 per cent. on the rental, the so-called municipal cess for village Police not having been imposed in this district when the revenue assessments were originally made. He proposes, further, to add a stipulation, in confirming the settlement, to the effect that the road cess of one per cent. will be subject to be doubled. The Governor-General in Council regrets that he is unable to approve these proposals.

* Paragraphs 8, 65, 71, 72, and 100.

11. The views of the Governor-General in Council in regard to the nature of the cess imposed for local purposes were stated as follows in the Circular of the Home Department, dated 21st February, 1870:—

"Para. 4.—There has been at various times considerable misunderstanding regarding the true character of the road cess, and of the other cesses which are levied for local purposes in Northern India. In consequence of the fact that it has been found convenient to collect them with the instalments of the land revenue, and that the rate at which they are to be levied has usually been fixed when the settlement of the land revenue is made, they have not unfrequently been looked upon as constituting virtually a portion of the land revenue set aside for local purposes. But it has been distinctly declared by the Government of India on more than one occasion that they are nothing of the kind. While the land revenue represents that portion of the rental of the land which the State, as the principal and acknowledged proprietor of the land, is entitled to receive, the district road cess and the other cesses are taxes imposed on the agricultural classes for certain local purposes from which those classes directly benefit. There is no necessary connection between these cesses and the settlement of the land revenue; and the circumstance that their amount has usually been fixed as a percentage on the land revenue is due merely to the fact that the land revenue is assumed to represent a certain definite proportion of the gross rental of the land. In the North-Western and other Provinces, where, under existing rules, the State receives one-half of the gross rental, it is convenient, when we desire to impose a tax upon the annual value of the land, to say that it shall be levied as a percentage on the land revenue.

12. The Secretary of State, in his Despatch, dated the 12th May, 1870, on the subject of local cesses in Bengal, has expressed views in exact accordance with those of the Government of India; and his remarks are so important, and they appear to His Excellency in Council so completely to dispose of the question now at issue, that it is desirable to quote them here.

Para. 12.—"It has been contended that the rates levied in other Provinces of India are essentially distinct in principle from the rates which it is proposed to levy in Bengal. The argument appears to be that, in other Provinces of India, the local rates are simply so much addition to the ordinary land revenue—an addition which is there legitimate, because the Government had not, in those Provinces, debarred itself by positive engagements from increasing the land assessments. This appears to be only another form of stating the argument already dealt with, which is founded on the terms of the permanent settlement. But the distinction thus drawn between the character of such rates, when levied in Bengal, and the character of similar rates when levied elsewhere, is a distinction which I concur with your Excellency in considering to be unsound. Whatever character may be assigned to these rates as a matter of mere verbal definition, they were unquestionably intended by the Government, in all the Provinces in which the have been raised to be in addition to the land revenue, and not a part of it. This separation was expressly defined and marked in the proceedings of the Government of Bombay before any special legislation had been passed upon the matter. In the resolution of that Government, dated 9th March, 1860, the Superintendents of Survey were directed, 'after fixing the assessment of a district,' to add the rate, 'over, after, and above the amount which, on other considerations, they may deem appropriate.' Although incorporated with the land revenue in respect to the mode of levy, as being the most convenient, it is again in the same sentence explained to be 'calculated over and above the ordinary assessment;' and Sir Charles Wood, in his despatch of 25th May, 1861, in which he dealt with the proposal, speaks of it as a proposal for the imposition of a school rate and road cess in addition to the revised rates of land assessment which have been, and still are, in course of introduction.'"

13. Her Majesty's Government are, therefore, of opinion that it cannot be said with justice that to impose rates in Bengal would be to impose a special tax on that Province which is not imposed on other parts of India.

14 It is true that, in making some of the more recent land settlements in various Provinces of India, the Government has given notice that, in fixing the assessment of land revenue for 20 or 30 years, it retained the power of imposing some additional rates for local expenditure. In the Bombay Act of 1865,* a notice to this effect has been made permanent by law. But this notice, so far from indicating that such rates are to be considered as part of the land revenue, is, on the contrary, a distinct indication that they are to be considered separate. The notice was issued, because the Government was warned by the misunderstanding which had arisen in Bengal, and because it knew that precisely the same misunderstanding might arise under any settlement—the misunderstanding, namely, that during the term for which such settlement might be made the Government absolutely surrendered all power of additional taxation upon the land. But, although, under these circumstances, it was expedient to prevent such misunderstanding in future by a warning explanation to all with whom new settlements might be made, Her Majesty's Government do not admit that, where no such notice has been given, no rates can be levied in addition to the assessment. This, indeed, would involve a result in direct antagonism with the principle laid down in this Despatch, and sanctioned in the case of the income tax. That principle is, that any extra taxation or rating levied from the agricultural classes over and above the land revenue must be imposed as equally as possible upon all holders of property accessible to the impost. But if those holders of landed property are to be free from the tax to whom notice was not given at the time of settlement, the rates cannot be imposed equally, but, on the contrary, there must be an extensive system of exemptions. And those exemptions must especially include the holders of inams of

*Act I. of 1865, Section XXIX., Clause 1.

alienated villages and all permanent tenures either rent-free or at small fixed quit-rents. The guarantee under which these persons hold their lands, free from any increase of the land assessment, is a guarantee quite as binding as the promise given to any holder in Bengal. But the practical injustice of exempting inamdars, or the owners of alienated villages, is as apparent as the departure it involves from the principle of making rates equal and general in their incidence. It must always be remembered, in matters of taxation, that when a given work is to be done, and a given amount of expenditure is required to do it, the exemption of any class is simply an aggravation of the burden on all other classes who are not exempt. And in this case those would be the exempted classes who have been otherwise most favoured by the State, and those would be the classes bearing an aggravated burden who already contribute most to the public expenditure. Moreover, the holders of property thus exempted would derive equal, or, indeed, greater benefit from the rates than the holders of property who alone would be called upon to pay them. On these grounds, Her Majesty's Government feel that, in rejecting any claim to exemption from rates on the part of those who did not expect to pay them at the time of the land settlements, or on the part of those who hold under permanent tenures, whether of one kind or another; they are not adopting any mere verbal plea in order to justify a foregone conclusion, which otherwise might be difficult of defence. They are satisfied, on the contrary, that they are rejecting a claim founded solely on a mistaken interpretation of the mere wording of a particular document, and which, if admitted, would lead to results at once anomalous and unjust.

15. It is the more important that a final decision of this matter should be arrived at, because it must be admitted that the misunderstanding on which such claims to exemption are founded is a misunderstanding which has been long prevalent, and has imparted a character of doubt and hesitation to the language and to the acts of the Government, both in India and at Home. There has been, on the one hand, a feeling and a conviction of the essential distinction between the ordinary land revenue and the rates which it was desired to levy, whilst, on the other hand, there has been a difficulty in defining that distinction, and a fear lest it should be found to be incapable of explanation to the people. Hence there has been a variety of suggestions for evading the difficulty by raising the required amount of money through a house tax or a license tax, or some other tax which could not be confounded with the land revenue, and respecting which, therefore, there could be no doubt of the right of the Government to impose it. But all these suggestions have, for various sufficient reasons, been rejected. The Despatch of Sir J. Lawrence of 22nd February, 1867 (No. 9, Revenue Department), exhibits the embarrassment felt by the Government of India in this condition of affairs, and its anxiety lest rates on landed property should appear to the people to be a breach of faith. It is injurious alike to the Government and to the people that this condition of things should continue. The Government has nothing to conceal, and the people have nothing to fear or lose in the re-affirmation of the same principle as regards rating, which has already been affirmed as regards the income tax.

16. An important step in the practical decision of this question has been taken in the passing of the Bombay Act No. III. of 1869. The special object of that Act is to raise 'funds for expenditure on objects 'of local public utility and improvement,' and for this purpose it imposes rates upon all holders of land without making any distinction between those who received and those who did not receive a notice at the time of settlement. No exemption of any class of landholder is admitted. On the contrary, the holders of rent-free of alienated villages, and of other permanent tenures, are expressly subjected to the rates.

17. In view, therefore, of these various facts and considerations, Her Majesty's Government have now to intimate to your Excellency the conclusion to which they have come, after a careful consideration of a controversy which has now been going on for a long course of years. This conclusion is, that rating for local expenditure is to be regarded, as it has hitherto been regarded in all the Provinces of the Empire, as taxation separate and distinct from the ordinary land revenue; that the levying of such rates upon the holders of land, irrespective of the amount of their land assessment, involves no breach of faith on the part of the Government, whether as regards holders of permanent or of temporary tenures; and that where such rates are levied at all, they ought, as far as may be possible, to be levied equally, without distinction and without exemption, upon all the holders of property accessible to the rates.

13. The Governor-General in Council is of opinion that the conclusions thus declared by the Secretary of State cannot be too carefully and strictly enforced. In almost every Province difficulties have arisen in consequence of these local rates having been treated as a portion of the land revenue, and doubts have frequently been expressed whether they can be altered during the currency of a settlement without breach of faith on the part of Government. Thus in the reply, dated 17th March, 1870, to the Circular of the Home Department quoted above, the opinions of the Lieutenant-Governor of the North-Western Provinces were stated as follows :—

"A compact has been made to take so much as revenue and so much as cesses, and the plain inference is that the demand in respect of both is limited by the engagement. With the sanction of the Supreme Government, the land revenue has been consolidated with the cesses, and the demand for the aggregate is engaged for in one sum, which the proprietor is told combines his liabilities both for land revenue and cesses. Under these circumstances, to increase the cesses during the currency of an engagement duly concluded and ratified by the Government, would be viewed by those concerned, and in the Lieutenant-Governor's opinion, would, in effect, be a breach of engagement."

In your letter No. 121A, to the Financial Department, dated the 27th January, 1871, the views of the Lieutenant-Governor on this subject have also been stated very clearly :—

"The correct principle," it is said, "as it appears to the Lieutenant-Governor, is that which is followed in these Provinces, *viz.*, to assign a fixed portion of the land revenue for local objects. This is now done always at the time of settlement, by setting apart one-eleventh of the entire demand, or one-tenth of the imperial land revenue for purposes of Revenue, Police, District Roads, District Dák, Village Education, and Sanitation,—duties the discharge of which is to a large extent obligatory on Government as the superior landlord of the country."

14. In regard to past settlements in the North-Western Provinces, the Governor-General in Council does not wish to dispute the Lieutenant-Governor's conclusion that no alteration should be made in the amount of the local cesses. As the term of nearly all those settlements has already expired, the question is one of little practical importance. But in the opinion of His Excellency in Council it would be very unwise deliberately to allow fresh settlements of the land revenue to be made in such a manner as to expose the Government to a repetition of charges of breach of faith, if, at any future time, during the currency of the settlement, it should become necessary to increase the rates levied for local purposes upon the land.

15. The Governor-General in Council much regrets that the views of His Honor the Lieutenant-Governor on this subject should differ from those which have long been maintained by the Government of India, and which have been so strongly affirmed by the Secretary of State. But His Excellency in Council thinks it essential that the system now followed in the North-Western Provinces, in regard to these cesses, should be altered, since it must, in his opinion, have a strong tendency to encourage and perpetuate the misunderstandings which have led to so much embarrassment in the past, and which it is important to guard against in the future. It must, he considers, be made clear that the rates levied for local purposes are taxes altogether distinct in their nature from the land revenue, and there is, as it appears to His Excellency in Council, no more propriety in taking engagements for their payment than there would be for the payment of taxes of any other kind.

The Governor-General in Council is fully alive to the importance of altering, as seldom as possible, the amount of any rates that may be imposed upon the land, and nothing could be further from his wishes than the adoption of a system under which their amount would be frequently changed. He thinks it extremely probable that it may, as a general rule, be inexpedient and unnecessary to alter the rates during the currency of a settlement, and he admits that there may, under ordinary circumstances, be much administrative convenience in revising, at one and the same time, the revenue demand and the local rates. The rates would thus usually come under revision when a new revenue settlement is made. In regard to the general principle that there should be as little uncertainty as possible as to the amount of the demands upon the land, there can be no difference of opinion.

16. It is stated in your letter No. 100B., dated 17th March 1870, that—

"None of the new settlements in course of formation have as yet been confirmed by Government. In a considerable number of districts, the engagements have been taken from the proprietors at the new jummas on the rule indicated above.* The Lieutenant-Governor agrees with Mr. H. S. Reid that it is open to the Government to add to the road cess at any period prior to final confirmation; and it had been His Honor's intention, in sanctioning any settlement, to have reserved the power of raising the road cess to two per cent. on the jumma, some previous notice, as suggested by Mr. Inglis, being given before the enforcement of such additional demand. And if the Governor-General in Council desires it, this view can be acted upon, and in all new settlements the road cess could be, *ab initio*, rated at the

* That is, that a single engagement shall be taken for the land revenue and cesses, without distinguishing them separately.

above sum. The Lieutenant-Governor would not go higher than that rate, agreeing with the Board that the special burdens upon the landed interest are sufficiently high."

It thus appears that although, in certain districts, engagements have been taken from the proprietors under the 55 per cent. rule, which consolidates the cesses with the land revenue, it is open to the Government to revise this arrangement at any time prior to final confirmation of the settlement. The Lieutenant-Governor has further shown that he is prepared to act upon this opinion by the orders which he has given in the case of the Boolundshuhur settlement, under which the settlement engagements taken from the proprietors will be revised, and a new cess of Rs. 3-14 per cent. will be imposed over and above the assessment originally made.

17. I am therefore directed to request that in all future settlements, the system of taking engagements from the proprietors for the payment of local cesses as a part of the land revenue may be abandoned. In cases in which the settlements have already made much progress, but have not received the final confirmation of the Government, and in which it may be difficult, without serious inconvenience, to alter the wording of the engagements which have been taken from the proprietors, such confirmation should only be given on the distinctly expressed condition that nothing in those engagements will prevent the imposition of any rates for local purposes which the legislature may think fit to order during the currency of the settlement. The present instructions are, I am to add, in complete accordance with Act XVIII. of 1871 (the North-Western Provinces Local Rates Act, 1871), which sanctions the imposition of rates on land for local purposes, "independently of, and in addition to, any land revenue assessed on the estate," and fixes no period of time within which the rates are to remain unaltered.

18. The serious questions which have been raised by the Lieutenant-Governor in regard to the settlement of the North-Western Provinces must now be noticed.

19. In the greater part of the Boolundshuhur District the conditions are declared to be fulfilled, which, under the existing orders of the Secretary of State, entitled the proprietors of land to a permanent settlement of their revenue.

Those conditions are thus laid down in Sir Stafford Northcote's Despatch of the 23rd March, 1867 :—

1*st*, no estate shall be permanently settled in which the actual cultivation amounts to less than 80 per cent. of the cultivable or malgoozaree area ; and

2*nd*, no permanent settlement shall be concluded for any estate to which canal irrigation is, in the opinion of the Governor-General in Council, likely to be extended within the next 20 years, and the existing assets of which would thereby be increased in the proportion of 20 per cent

The Lieutenant-Governor states that the district of Boolundshuhur "is so advanced in cultivation, and developed as to canal irrigation, that the greater part of the estates answer the first rule of having four-fifths of their area under cultivation; and also the second, of there being no prospect of improvement by canal irrigation over 20 per cent. of present income."

The facts which have led the Lieutenant-Governor to the conclusion that the history of this settlement shows that "the two conditions enjoined by Her Majesty's Government for a permanent settlement are not sufficient," are of great importance. They serve also to illustrate causes which, under the existing system of settlement in the North-Western Provinces, may prevent the State from obtaining from the land the revenue to which it is theoretically entitled.

20. In the greater part of the North-Western Provinces, the rents, even of tenants-at-will, are regulated to a considerable extent by custom, and certain classes of cultivators possess rights of occupancy, secured to them by law, under which they are often entitled to hold at beneficial rates of rent. In the latter cases, the cultivator is virtually a co-proprietor in the land, and under the existing system of settlement, to whatever extent he receives a portion of the proprietary profits, to that extent he may intercept a portion of the assets to which the State is entitled. The settlement is

made with the proprietor, on the assumption that he and the State are to share equally, and the tenant holding at beneficial rates is, in a great measure, left out of the account. Whenever, from any causes, the prevailing rates of rent are low, the interests of the State may suffer, although the total profits actually derived from the land may be large.

It is to causes of this nature that the inadequacy of the assessment of the Boolundshuhur District appears to be mainly due.

"Settlement Officers," the Lieutenant-Governor says, "under the system of property prevailing in northern India, must frame their assessments on the prevailing standard of rent. * * It would be dangerous to allow the assessing officer to leave the hard ground of current standard rents, and speculating on an expected enhancement, to rate his assessments upon such expectation. There may, indeed, be cases (like that of Baghput in the District of Meerut, already submitted to the Supreme Government) where the rates over limited tracts are without any sufficient reason lower than in adjacent places; and there the settlement may safely be made on an anticipated rise, a proceeding justified by the considera tion that the current rents are actually below prevailing rates. But where over a whole district, or large extent of country, certain rates prevail, these must be held the prevailing rates, and their result, the rental, or 'net assets' which form the basis of the Settlement Officer's assessment."

21. The case of the Baghput Pergunnah, in the Meerut District, to which Sir W. Muir refers, and regarding which a separate reference has been made to the Government of India, offers a remarkable illustration of the system upon which settlements are made in northern India.

The settlement of Meerut was made by Mr. W. A. Forbes, one of the most distinguished revenue officers in the North-Western Provinces. After careful inquiry into all available facts, and comparison with the rates of assessment admitted to be very moderate under similar conditions in neighbouring pergunnahs or sub-divisions of the district, Mr. Forbes estimated that the proper revenue to be demanded for the Baghput Pergunnah, at the usual half asset rates, would be Rs. 2,45,922. The present assessment, made some 30 years ago, is Rs. 1,48,000.

The "actual condition," says Mr. Forbes, of this pergunnah, "as regards cultivation, irrigation, and development of qualities, has reached the highest standard." The population is said to be "active and energetic." Canal irrigation has been extended almost to the utmost possible limit. The Eastern Jumna Canal runs down the centre of the pergunnah throughout its entire length, and spreads its irrigation on either side up to the farthest point that the high levels just adverted to will admit. For richness of products, high farming, and general prosperous condition of the people, these inland estates are not to be surpassed."* Since the former settlement was made, the cultivated area has increased from 73,506 to 98,369 acres, and the irrigated area from 12,623 to 59,064 acres. All the conditions laid down by the Secretary of State as necessary to justify a permanent settlement are declared by the Lieutenant-Governor to be fully complied with.

* Mr. Forbes' report, paragraph 4

When, however, Mr. Forbes came to redistribute, village by village, upon individual estates, the Government demand, which, according to his estimate, ought to have been at least Rs. 2,45,922, he found it impossible to impose more than Rs. 2,10,035, and he states his conclusions as follows:—"I am positively certain that permanent assessment at that jumma will cause a loss to Government of Rs. 36,462." Mr. Forbes declares, and the Lieutenant-Governor confirms the statement, that this result is owing to "the backward state in which rents are found." Notwithstanding the great improvement that has taken place in the value of land during the last thirty years, "the exceedingly light assessment at last settlement," the "enormous increase of assets due to the canal," the high prices of agricultural produce, and the immensely improved position and increased wealth of the cultivators, rents have hardly risen. "Whether," writes Mr. Forbes,† "there were difficulties which we know not of in the way of enhancing rents, or whether the people were ignorant of the procedure, is doubtful, but the fact

† Paragraph 21.

remains. We do not find that rents have, as a rule, changed; no doubt they have risen, but how and when we cannot trace; and all over the country, and especially in this pergunnah, we find the low rents of older days, when landlords were glad to entice in tenants at almost nominal rents in order to lighten their own burden."

22. In the case of the Baghput Pergunnah, Sir W. Muir has recommended, under certain conditions, that the settlement should be made permanent. He has, however, in his subsequent Minute on the settlement of Boolundshuhur, come to so decided a conclusion that the existing rules regarding permanent settlements must be revised, that the propositions regarding Baghput may, it is presumed, be considered in abeyance.

23. The Lieutenant-Governor states his opinion that "the lesson may fairly be learned from the history of the settlement of Boolundshuhur that the two conditions enjoined by Her Majesty's Government for a permanent settlement are not sufficient." He says :—

That in this district those conditions have been fulfilled. The required limit of area under cultivation has been attained; the required extension of irrigation and development of resources fully secured. The 'existing assets,' if we look only to the produce of the soil, are in every way sufficient; but the 'existing assets,' which reach the proprietor in the shape of rent, are as yet inadequate, and when the assessment was made were still more so. 'It is evident,' the Lieutenant-Governor continues, 'that the sacrifice to which Government, in conceding a permanent settlement, has consented, is one of future revenue from improvements accelerated by the increased investment of capital by proprietors when secure of the whole result. But in the case of a settlement like the present, based on an imperfectly developed rental, the sacrifice would be of future revenue erected by no such expenditure, but simply by the exertion of proprietary power in increasing the relative share of the produce which constitutes rent. This is a process which, in the nature of things, will come to pass equally whether the settlement be in perpetuity or for a term, and the sacrifice would be consequently gratuitous,—made without any corresponding object or return. I think, therefore, that a third condition for permanent settlement is thus shown to be quite necessary, namely, evidence that the standard of rent prevalent or the estimate of 'net produce' on which the assessments are based, is adequate; or (having due regard to soil, facilities of irrigation, and ratio of dry and wet land) is not below the level of rent throughout the country at large.'"

24. The conclusion of the Lieutenant-Governor that the existing conditions for a permanent settlement are insufficient seem to the Governor-General in Council to be indisputably correct. It seems, however, less clear that the third condition suggested by His Honor would supply the insufficiency of the present rules, and other questions of serious importance are involved.

25. The reasons which have been assigned by the Lieutenant-Governor for the opinion, that the existing conditions for a permanent settlement are insufficient, seem also to apply, to a great extent, to the conditions under which settlements in the North-Western Provinces are made for a term of thirty years. Wherever we find a state of things similar to that which prevails in Boolundshuhur and Baghput, the existing system of assessment, which is based not on the real assets, but on the rental of the land, must apparently entail loss upon the State. The land is fully cultivated and irrigated, and agricultural resources are highly developed, but a large proportion of the land is held by cultivators whose rents can only be enhanced, if at all, by process of law under certain conditions, or whose rents are limited by custom or other causes.

"The fact," writes the Lieutenant-Governor in his Minute of the 22nd December, 1869, "is that the share of the cultivator, according to the usage of the district at the time of settlement, was too large, and the share of the proprietor (*i. e.*, the rent) too low." * * * "There is reason to anticipate that in the course of a few years the upward movement of rent now begun will have extended over the whole district, and completed itself; that is to say, that proprietors emancipated from the conservative influence of rent in kind will have pushed their standard of rent as high as the tenantry will bear it; and that future enhancement afterwards will depend mainly on improvement from expenditure of labour and capital, or rise in prices. The permanent settlement might then be introduced without any departure from the spirit in which it has been conceived and promised." * * * "The 'existing assets,' if we look only to the produce of the soil, are every way sufficient; but the 'existing assets' which reach the proprietor in the shape of rent are as yet inadequate, and, when the assessment was passed, were still more so. The sacrifice of revenue under a permanent settlement would be gratuitous

and indefensible, for the increase of income to the proprietor would not represent to the profit of capital invested on the faith of such settlement, but the mere assertion by the proprietor of a larger and more legitimate share in already existing assets."

26. It seems to be assumed, in the passages quoted from the Lieutenant-Governor's Minute, that the share of the actual cultivator in the assets derived from the land is now larger than it ought to be; that the share of the proprietor is inadequate: and that until it becomes "larger and more legitimate," the Government cannot obtain the full amount of revenue to which it is supposed to be entitled.

It may be true that so far as the land revenue is concerned, the best thing which could happen for the Government under the existing system would be that the landlord should always obtain what His Honor has termed a fully developed rental. This, however, is a remedy which could hardly be fully applied unless it were admitted that it is desirable, in the interest of the State and of the public, that tenants should pay generally the highest possible rents; that the restrictions placed by law or custom on the power of a landlord to increase his rents should be done away with; and that rights of occupancy should cease. The Lieutenant-Governor, whose views on these subjects are well known, would be the last person to approve of any such conclusions. The Governor-General in Council would ask His Honor whether it does not follow that there is something essentially faulty in the existing system of assessment. It can hardly be right that the State should be unable to obtain its fair share of the assets of the land because tenants are well protected, or to say that for each rupee by which the existing revenue falls short of the amount to which the Government is entitled we ought to force the actual cultivator, who may be a tenant with occupancy rights, to pay two rupees to the landlord.

27. The whole question of the permanent settlement of the North-Western Provinces having been re-opened, it becomes necessary to consider whether the experience which has been gained, since the orders of 1867 were passed, shows that the conditions then prescribed require amendment in any other respects than those which have now been noticed by the Lieutenant-Governor. This question must, in the opinion of the Governor-General in Council, be answered in the affirmative.

28. When the existing conditions for permanent settlement were prescribed, it appears to have been the intention of Her Majesty's Government to affirm two principles.

The first was, that the State ought not to demand a share of that increase in the profits of the land which is the result of the application of the capital and exertions of the occupant. Although this rule may have been imperfectly carried out in practice in the settlements made for a term of years in northern India, the Government has long recognized the truth of the principle involved, and has declared that when a new assessment of the revenue is made, liberal consideration shall be given to the fact that improvements have been made by the expenditure of private capital upon the land. It is in accordance with this principle that it has been distinctly provided by law in the Bombay Presidency that when a revision of the Government assessment takes place, "such revised assessment shall be fixed, not with reference to improvements made by the owners or occupants from private capital and resources, during the currency of any settlement under this Act, but with reference to general considerations of the value of land, whether as to soil or situation, prices of produce, or facilities of communication."—(Bombay, Act I. of 1865, Section 30).

The obligation thus put upon the Government is similar in principle to that which has long been applicable in the North-Western Provinces and in Bengal, in regard to the power of a landlord to increase the rents of a tenant with occupancy rights. Thus, it was laid down, when the settlements were made in the North-Western Provinces thirty years ago, that "it must always be remembered that when the improvement of the land is occasioned by the expenditure of capital by the cultivator, the proprietor will not be entitled to enhance the rent."* The same principle was subsequently affirmed by the law in Section 6 of Act X. of 1859. The most important of the grounds on which the rent of an occupancy

* Directions to Settlement Officers, paragraph 137.

[illegible] may be enhanced [illegible] declared to be "that the value of the produce or the productive powers of the land have been increased otherwise than by the agency or at the expense of the ryot." According to well-known decisions of the High Court of Calcutta, "if the rents of the neighbourhood have not adjusted themselves to the altered circumstances of the lands, the rent should be fixed according to the method of proportion, *i. e.*, the *increased* rent must bear to the *original* rent the same proportion that the *increased* value of the produce bears to the *original* value of the produce. The ryot should not be called on to pay to the landlord, under the name of rent, what is in fact not rent, but the produce of his own labour and capital sunk in the land."

29. The second principle which it was intended to affirm was this, that it was not right that the State should sacrifice that share of the increased profits of the land which would almost certainly, within a period which could be easily forseseen, result from the application to the land, not of skill and capital of the occupant, but of the skill and capital of the State itself.

In the discussions which took place before the decision of 1867, this principle was *generally admitted* in regard to improvements arising from the extension of canal irrigation. It was agreed that the State could not rightly abandon the whole of the great increase of value which would be given to the land by the extension of works of irrigation carried out at the public expense, and the distinction was repeatedly drawn between improvement of this nature and that brought about by the expenditure of private capital. Thus, in the Despatch of the Government of India, to the Secretary of State, dated the 20th November, 1866, we find the following passages :—

> It is with the express object of stimulating the investment of capital, and the application of skill and labour in landed improvement, that it has been proposed to make the assessment permanent. * * There is, however, a broad and clear distinction between improvements, of the general character above adverted to and the improvement occasioned by canals. It is the object of the permanent settlement, in leaving the enhanced profit raised by the skill, exertion, and capital of the occupant entirely in his hands, to create the most powerful incentive to the progress and prosperity of the country But in the case of canal irrigation the benefit is created without any application of skill, exertion, or capital on the part of the occupant. The water is brought to his door, the value of his fields is enhanced by virtue of the labour, skill, and capital of others Improvement from canal irrigation is, therefore, entirely different from improvements made by the agricultural population Of the former, 'the profits are in no sense, or in a very limited sense, the result of expenditure of capital by the proprietor It is the capital of the community which has produced these results, and the community at large, that is the State, is entitled to share in the profits' Canal irrigation, then, is not one of the improvements which the permanent settlement is intended to create, and in so far the argument for a permanent limitation of assessment will not apply to enhanced profits expected from its extension.

In his Minute dated the 14th December, 1869, Sir W. Muir re-asserts what is in fact the same principle, although he does not specially refer to canal irrigation. He deprecates the permanent settlement of the Boolundshuhur District, because, from the causes which he has described, the increase in the rental of the land, which is rapidly going on, does not result from the expenditure of private capital, or from any improvements made by the proprietors, but from "a process which, in the nature of things, will come to pass equally whether the settlement be in perpetuity or for a term." He says that, under such circumstances, "the sacrifice of revenue under a permanent settlement would be gratuitous and indefensible."

31. The passages which have just been quoted are undeniably true, but it may be doubted whether the same distinction which was so justly drawn between the essentially different causes which may give increased value to the land should not be carried further, and whether any reasonable ground exists for treating the extension of canal irrigation as if it were the only means by which the value of the land may be increased without any expenditure of labour or capital on the part of the occupant. It is admitted that a permanent settlement ought not to be made when we know that the annual value of the land will, within a given period, be greatly increased by the extension of irrigation, in providing which the occupant of the land has borne no part. The grounds for refusing a permanent settlement (of the nature, that is which would be made under the existing system) do not appear to be less strong, when the increase in

the value of the land is brought about not by the construction of canals, but by the construction of railways, or other public works, or by other causes independent of the action of the occupant of the land. Great as the additional value given to the land by works of irrigation undoubtedly is, it is hardly greater or more certain than that which is given by railways and canals of navigation, and by the opening out of new and profitable markets. When the question of the permanent settlement was formerly under discussion, the magnitude of the economical revolution through which India is passing was less obvious than it is now. It may be doubted whether any parallel could be found in any country in the world to the changes which have taken place during the last ten or fifteen years in India; to the diminution in the value of the precious metals, and the enormous increase in the prices of agricultural produce.

There could hardly be a better example of the manner in which the income derived from the land is, at the present time, increasing in the North-Western Provinces, than that which is afforded by the settlement of Boolundshuhur.

We are told by the Collector, after careful inquiry, that during the last five years there has been in this district very little increase of cultivation, or of irrigation, and that "there is nothing whatever to show, in any part of the district, that any expenditure has been made to any appreciable extent either by landlords or tenants." Nevertheless, in these five years, the rental of the proprietors is declared to have risen by 28 per cent., and to be still rapidly increasing; and we are assured that if a new settlement were now made, upon the same basis as the last, the assessment would exceed that made five years ago by some £18,000, and would be raised from £123,000 to £141,000.

32. It is remarkable that during the long continued and voluminous discussions which have taken place, no such facts as those which the settlements of Boolundshuhur and Baghput have now brought to light appear to have been referred to. Yet these facts are now declared by Sir William Muir, who took so prominent a part in those discussions, and who is perhaps the highest living authority on the subject of the existing revenue system of the North-Western Provinces, to be fatal to the scheme of a permanent settlement in the shape in which it has received the sanction of Her Majesty's Government. We could hardly find a better example to show the imperfection of our present knowledge, or a better proof of the necessity of extreme caution, when we attempt to solve a problem of which the conditions are so complicated; which depends so greatly on future circumstances which cannot now be foreseen; and of which, if the solution be mistaken, the consequences may be ruinous. It is to be hoped that this will not be forgotten in the future consideration of this subject, and that all hasty conclusions will be avoided.

33. It has been suggested, at various times and by various authorities, that the settlement of the land revenue should be made, not upon the basis of a fixed money assessment, but on the basis of the value of a fixed quantity of produce, which value would be adjusted, from time to time, according to the average prices which prevailed.

It has been urged that a permanent settlement on this basis might be allowed without any serious sacrifice of future interest, and that the result would be in a great measure that which it has long been the desire of the Government to obtain,—a system under which improvements made at the expense of the occupant of the land should lead to no increase in the demands of the State, on account of its share of the produce; while, on the other hand, the State would not lose the whole of the benefit derived by the land from improved administration, from the construction of great public works, and from the general progress of the country.

In paragraph 40 of his Minute of the 22nd December, 1869, the Lieutenant-Governor has referred to this question; and although he has not given any final opinion, it may be inferred that he decidedly inclines to the conclusion that the basis of a permanent settlement ought to be a grain and not a money assessment.

The Governor-General in Council does not wish at present to give any opinion upon this subject, but it is one which is open to discussion.

34. I am directed to request that the Lieutenant-Governor will now reconsider this great question of the permanent settlement of the North-Western Provinces. It will depend on the further inquiries and discussions which must be undertaken whether it will be found possible to maintain the conclusions formerly arrived at by Her Majesty's Government in favour of the principle of a permanent settlement. All that the Governor-General in Council is at present able to affirm is this, that it has been proved by experience that the existing conditions regarding permanent settlements in the North-Western Provinces are insufficient, and that those conditions could not be applied without most serious and certain injury to the future interests of the public. The Governor-General in Council will immediately place before the Secretary of State the facts which have now become apparent, and will propose that, pending the further discussion of the whole subject, the orders contained in Sir Stafford Northcote's Despatch of the 23rd March, 1867, shall be held in abeyance.

MINUTE BY THE HON'BLE JOHN STRACHEY, DATED 26TH SEPT., 1870.

[Permanent Settlement of the North-Western Provinces.]

THE questions which have been referred to the Government of India in connection with the settlements of Boolundshuhur and Baghput have been separately considered and disposed of, and the reasons have been stated which appear completely to establish the justice of Sir William Muir's conclusion, that "the two conditions enjoined by Her Majesty's Government for a permanent settlement are not sufficient."

It is remarkable that, during the long continued and voluminous discussions which have taken place, the facts which the settlements of Boolundshuhur and Baghput have now brought to light, were, so far as I can ascertain, never referred to. Yet these facts are now declared by Sir William Muir, who took so prominent a part in those discussions, and who is perhaps the highest living authority on the subject of the existing revenue system of the North-Western Provinces, to be fatal to the scheme of a permanent settlement in the shape in which it has received the sanction of Her Majesty's Government. We could hardly find a better example to show the imperfection of our present knowledge, or a better proof of the necessity of extreme caution, when we attempt to solve a problem of which the conditions are so complicated; which depends so greatly on future circumstances which cannot now be foreseen; and of which, if the solution be mistaken, the consequences may be ruinous. It is to be hoped that this will not be forgotten, in the future consideration of this subject, and that all hasty conclusions will be avoided. I wish, therefore, that the remarks which I am now about to make, in regard to one of the questions which must come under enquiry, should be merely looked upon as a contribution to the discussion, and not as the expression of a final opinion in regard to the course which ought to be actually adopted by the Government.

2. The suggestion has been made at various times and by various authorities, that a permanent settlement of the land revenue should be made, not upon the basis of a fixed money assessment, but on the basis of the value of a fixed quantity of produce, which value would be adjusted from time to time, according to the average prices which prevailed.*

* Such a system would, I believe, be no novelty in India, for it was, to some extent, adopted by the great Akbar. I can say nothing about Akbar's system from my own knowldge, but I quote the following account of it from a paper by Mr. H. G. Keene, who has paid much attention to these subjects, and who has, for many years, advocated the adoption of this principle of assessment. His first proceeding was to determine the quantity and value of the assets of the land: "He adopted a sound system for the measurement and for the classification of the culturable land in each estate. He then limited the State's demand to the not very light promotion of one-third of the gross produce, which he proceeded to commute into a money-payment on an average of prices for the past nineteen years. This commutation was to be reconsidered every ten years, and was to be only obligatory as regards what might be called garden crops. Of the cereals, every occupant was at liberty to tender one-third in kind, if he thought the official valuation too high."

I have long believed that if a permanent settlement can rightly be made at all, some such principle as this is the only one on which it could reasonably be based. It is in fact, the only principle on which a permanent settlement which deserves the name is possible, for there is nothing really permanent in an assessment fixed in money, the value of which goes on steadily diminishing or changing. It is also the only principle by which, while leaving to the occupant of the land the benefit of his own improvements, it would be possible, in a great measure, to retain the right of the State to share in that improvement in the value of the land which is due to causes of a general character, with which the occupant has had no concern.

It may be useful if I give a summary of the discussions that have taken place on this subject, so far as they have come under my notice.

Of these, the prinicipal have been with reference to settlements in Madras. I believe that this question has been mooted, from time to time, in that presidency for many years past; but I have not seen any papers of an earlier date than the year 1861.

3. In a Despatch from the Government of Madras to the Government of India, No. 241, dated the 8th February, 1862, it was stated that "His Excellency the Governor is favourable to the imposition of a permanent grain rent, but would reserve to Government the power of periodically determining the value of that rent, if at any future time a material alteration in the value of money should render such a measure expedient." In a valuable Minute forwarded with that Despatch, and dated the 12th November, 1861, the Governor of Madras, Sir William Denison, made the following remarks :—

I would observe that before any permanent settlement could be made, it would be necessary that the Government should decide, once for all, what proportion the assessment or rent should bear to the produce of the land either gross or net.

* * * * * * *

Assuming, however, that all these preliminary steps have been taken, and that the assessment on the ryot is fair and reasonable, there is yet an important point to consider; one indeed most important with relation to the proposed perpetual settlement, and that is, in what commodity shall this rent or assessment be payable, or in other words, shall the tenant or ryot pay a corn or a money-rent. In paragraph 64 of his report, Colonel Baird Smith talks of the rent as the portion of the net produce hitherto appropriated as Government revenue, which he puts at 50 per cent. of the net produce; but in discussing the question of fixity of the public demand, he evidently applies this fixity, not to the proportion of the crop, or its estimated amount in measures or weight of grain, but to the existing money-value, which, looking to the very marked change which has taken place in the value of money during the last few years, represents a much smaller proportion of the crop. The effect of adopting the existing money-value of the crop as the basis of the perpetual settlement, would be to place the tenant in a position to which he has no claim. I assume that a revision has been made of the assessment, that everything has been done which could be expected from the best landlord ; under such circumstances, the tenant can have no right to the collateral advantages which spring out of the gradual cheapening of money or the alteration of the relation existing between it and produce of various kinds. This is the landlord's fair due, and, indeed, it is the only means by which he can manage to escape the difficulties arising out of the fixed character of the payments made to him, and the ever varying but steadily increasing price of labour and other commodities. * * *

It would be most unwise to sacrifice the revenue arising from a source so well established, and so well understood by the people of India, as that of a land or produce assessment, upon the supposition that it may be possible to supply the defleit from other sources. While, then, I should not object to a reduction in the proportion of the crop taken as rent, to such an amount as would leave to the ryot a fair return for his labour and his capital, and while I should not object to make this proportion a perpetual charge on the land, I should altogether object to a proposal to place a money-value upon this proportion of the crop at existing prices, and to make this money-value the measure of the rent or assessment to be paid from henceforward.

The members of the Madras Council did not concur with these views of Sir W. Denison, but there is nothing in their remarks which need now be quoted.

When these papers were received by the Government of India, Sir W. Denison's views were disapproved, but without much discussion. The objections to them were thus stated by Mr. Laing in a Minute dated the 7th April, 1862 :—

We may, I think, begin by setting aside any idea of a grain settlement as a general measure. There is no grain which, like wheat in England, affords a tolerably uniform and accurate measure of the value of 'money' as measured in 'commodities.' Wheat does so in England very imperfectly, for a thousand dif-

ferent causes affect the range of price over a long period, as well as the mere supply of the precious metals. But in India, one district consumes wheat, another rice, another dall or some of the many forms of pulse of which we hardly know the names; and the accidents of a wet or dry season, the want of communications throughout such a vast country, and other circumstances, cause enormous fluctuations, often of hundreds per cent., in the market price of grain between one year or district and another. I am satisfied, therefore, that Mr. Maltby is quite right in saying that any form of grain rent would utterly fail to give that security which is the great object of having a settlement at all; and that a fixed money rent, even for a comparatively short period, would be preferable.

It may be observed, with regard to these remarks by Mr. Laing, that he apparently wrote under the mistaken impression that an annual commutation of the corn-rent into money had been proposed. Sir W. Denison not only had no such intention, but the adoption of such a plan would have completely frustrated the objects which he had in view.

4. In 1868, the Madras Government, in forwarding to the Secretary of State their proceedings regarding the revision of the assessment of the Salem District, re-opened this question, and proposed that "the grain assessments under the revision of the land tax now in progress may be declared to be permanent, and the money rates changed, if thought advisable by the Government of the day, every thirty years."

The Secretary of State replies to this proposal on the 8th April, 1869, as follows :—

"I find that since 1856 the question of declaring the grain assessments permanent has frequently been referred for the decision of the authorities in this country, and it has been decided, both by the Court of Directors and by the Secretaries of State, that the settlement should be a money assessment founded upon due consideration of all the circumstances of the districts, and revised after a term of years, and that your Government, so far back as 1858, directed the issue of a notification to this effect. Her Majesty's Government must adhere to that decision, nor do they see, as your Excellency in Council seems to do, in the despatches addressed to the Government of India in and from 1862 to the present time, on the general question of permanent settlement throughout India, anything inconsistent with this view. It seems to me impossible to read paragraphs 66, 67, 69 and 70 of the despatch of the 9th of July, 1862, some of which are quoted by your Government, without being impressed with the conviction that it was thought highly improbable that either your Presidency or that of Bombay, but particularly the former, should be brought, or at all events not for many years to come, within the terms under which alone it was permissible to confer a permanent settlement upon the landowners. Your Excellency in Council distinctly states, in the despatch now before me, that 'the time is probably still very distant when any measure limiting the maximum amount of the Government revenue,' under the conditions laid down, 'could be adopted without serious injury to the interests of the community and of the State as representing the community, or with any real benefit to small sections of the community or to individuals,' and it certainly is not the desire of Her Majesty's Government to force on any immature concession of this nature. They concur with you in the expediency, and, indeed, the necessity, of keeping in the hands of the Government such a legitimate source from which to supply the increasing wants of the State for the benefit of the people, as the extension of cultivation among waste lands. They are also happy to agree with your Government in opinion that, under the principles of the revised settlement now in progess for adjusting the assessment and fixing it for a term of years, the share taken by the Government is kept within limits which are perfectly equitable to the cultivator. But they are unable to see that it is therefore necessary to make a declaration to the landholders that the grain assessments are to be permanent. On the contrary, they feel themselves precluded, for the same reasons which your Excellency in Council has urged in your 18th paragraph for retaining the waste lands, from sanctioning the surrender of such a legitimate source of revenue as the Government share of the increased value which has been conferred on the land by improved administration, the construction of public works, especially works of irrigation and railways, together with the improved price of agricultural produce."

The Secretary of State added that he had no objection to apply to the Madras Presidency the conditions for a permanent settlement laid down for the North-Western Provinces in Sir Stafford Northcote's despatch of the 23rd March, 1867, "should the conditions be found fulfilled at any of the stated periods for revising the settlement."

The Madras Government replied to the Secretary of State on the 30th September, 1869, and requested him, in the following terms, to reconsider his decision on the question of declaring permanent the grain values arrived at during the revision of assessment :—

The proposal advocated by this Government, while securing many of the acknowledged advantages of a permanent money assessment, will be free from the principal objections to that measure. The political advantage of giving the occupiers of Government land a direct interest in the stability of our rule, by

declaring that the actual quantity of the crop now taken by Government will never be increased, is considerable. Still greater would be the social advantage of providing a really popular and safe investment for the daily increasing wealth of the country; and though, under the existing system, the desire to become the possessor of land, which is very general among all classes, has had, and will have, the effect of inducing the investment of a certain amount of capital in its purchase, still it is difficult to believe that any large amount will ever be devoted to the *improvement* of land so long as it is apprehended that after every period of thirty years the increased value which the land has attained by private outlay of this description will be investigated, and the State demand upon it proportionably augmented. The heavy charge involved in a revision of the assessment every thirty years would also be obviated, as the expensive part of the process lies in the classification and investigation of the different soils, while the mere adjustment of the commutation rate, which would be all that would be required were our proposals adopted, could be effected without any special establishment or prolonged local inquiries.

Again the main argument against a permanent settlement of the land revenue, *viz.*, that the State would be thus cut off from all participation in an expanding source of revenue, although the expenses of administration are unavoidably progressive, falls to the ground, if the permanency of the settlement be limited to the grain-values. The State would, under the system recommended, still profit by all extensions of cultivation, and would share with the occupiers of land the increased value given to the land by that natural rise in prices which is usually attendant upon augmented local consumption, larger exports, and greater abundance of the circulating medium.

With advertence to the concluding sentence in paragraph 5 of your despatch, we submit that, however cogent the objections offered may be to a permanent money assessment, they can hardly be said to apply with equal force to our proposal, inasmuch as the Government share of the increased value which will be conferred upon land by improved administration, the construction of public works, etc., must almost invariably take the form of a higher price for the produce of the land We consequently venture to question the policy of foregoing the general advantages attendant upon the measure proposed by us, for the doubtful and partial gain which might be obtained by a revaluation every thirty years of the lands to which water has been newly applied as alluded to in paragraph 6 of your despatch.

This remonstrance was answered by the Secretary of State in his despatch to the Madras Government, dated the 17th March, 1870. He said that he had again considered the question, but saw no sufficient reason for modifying his former decision.

"If," he said, "as you seem to believe, the ryots are unwilling to devote their labour and capital to the improvement of their lands, so long as it is apprehended that, after every period of thirty years, the increased value which the land has attained by private outlay of this description will be investigated, and the State demand upon it proportionably augmented, I have only to observe that it was never intended that the increased value which might be given to land by the application of private labour and capital should be taken into account in forming any new assessment, and it seems to me that it would be easy to dispel any such impression, if it exists, from their minds by adding to the proclamation notifying the confirmation of the settlement for a term of thirty years, and its liability to revision at the expiration of that period, some words equivalent to those contained in the circular orders quoted in the margin.

"It is to be explained to the ryots that when the general rates of a district may be altered, the demand will be regulated with reference to the intrinsic quality and position of the land, as compared with other land of similar natural soil and situation, and not with reference to any improvement which may have been effected by the ryot at his own cost." —Standing Orders of the Board of Revenue, 1820 to 1865, page 88.

"Under this explanation, the last objection raised in your despatch would seem to disappear. There would be no necessity for any 'classification and investigation of the different soils' on the occasion of a new settlement. Any general causes of increase or decrease which might have come into operation since the previous settlement would have to be duly considered, and any necessary alterations might be made in the grain assessments by the addition or subtraction of a percentage on the recorded amounts. If no ground for change had arisen, the grain assessments, although no pledge would be given for their permanency, would remain unaltered."

5. The same question has been from time to time raised in this Presidency. It will be remembered that the system of making permanent settlements on this basis was advocated in the Report of the Commissioners appointed to inquire into the famine in Bengal and Orissa in 1866. In Mr. George Campbell's "Note on the Permanent Settlement of the Land Revenue," appended to that Report, and dated the 26th November, 1867, he wrote as follows :—

It is to reconcile this slow growth of revenue with a rapidly increasing expenditure that the plan suggested by the Commission is recommended—that is the fixing of the land revenue at determined amounts, expressed in the corn-rents and commuted to money according to the average of a series of years.

The result of such a system would be that all the evils of re-settlements, and all fear of increase of the revenue demand on account of individual exertion and improvement would be avoided ; the revenue would be in one sense absolutely fixed ; but on the other hand it would be liable to periodical re-adjustment with reference to the changes in the relative value of money and the chief staples of production in each district, in exactly the same way as are the commuted tithes and other payments in England, and both tithes and rents in Scotland. The great change in prices, in wages, and in the value of money generally,

which seems to be so imminent all over India, and which is the most immediate objection to permanent settlements effected at this particular period, would in this manner be guarded against. And while we should probably not secure quite so great an increase of revenue as if we were free from time to time to make resettlements without check or limit, we should still have an increase proportioned to the general progress of the country and of the expenditure, and which would render it unnecessary too much to hasten the advance of new taxation.

The mode of determining and ajusting the average prices of each series of years is so well known by experience in England and Scotland, and is so analogous to the use of current prices of the pergunnah in the annual revenue adjustments of almost all Native States, that I need not enter into further particulars.

I may, however, add that the effect of recent decisions of the highest courts having been to place by far the most numerous class of subordinate holders on a footing similar to that proposed for the superior landholders,—the ryots having a right of occupancy being liable to enhancement of rents in proportion as the market value of agricultural produce increases—the revenue paid to Government, and the source of that revenue would adjust themselves in a fitting manner on the same principles, and the machinery, used for striking average prices for one purpose being available for the others also, would save much litigation, contention, and loss to all parties.

6. Sir William Muir, in paragraph 40 of his Minute of the 22nd December, 1869, has referred to this question ; and although he has not given any final opinion, it may be inferred that he decidedly inclines to the conclusion that the basis of a permanent settlement ought to be a grain and not a money assessment.*

7. Since this Minute was written, I have seen, in the proceedings of the Punjab Government for June, 1870, a memorandum by Sir Donald McLeod, written about the time when he ceased to be Lieutenant-Governor, and in which he strongly advocates the adoption of a permanent settlement on the basis of a grain assessment. There is no one who is entitled to speak with higher authority on this subject, and I have appended a copy of his memorandum to this Minute.

8. I will add only a few words regarding the views which I am myself disposed to hold.

In the Minute which has been quoted above, Sir W. Denison observed that before any permanent settlement could be made, it would be necessary to determine the proportion which the Government assessment should bear to the gross or net produce of the land. This is, in fact, the same point which has been brought out so strongly by the experience that has now been gained in the North-Western Provinces.

If, as I have said elsewhere, a permanent settlement is to be allowed at all a third condition appears essential, in addition to those laid down by Her Majesty's Government, namely, that the assessment shall not be less than 50 per cent. of the existing net assets of the land. I do not say of the existing rental, for this may be, and frequently is, something totally different.

If these three conditions be fulfilled, I am disposed to think that a permanent settlement on the basis of a grain assessment might be allowed without any ruinous sacrifice of future interests. The result would be, to some extent at least, that which it has always been the desire of the Government to obtain,—a system under which improvements made at the expense of the occupants of the land should lead to no increase in the demands of the State, while, on the other hand, the State would not lose the whole of the benefit derived by the land from improved administration, from the construction of great public works, and from the general progress of the country.

* Mr. Drummond, when Lieutenant-Governor of the North-Western Provinces, made the following remarks in a Minute written in 1864, but so far as I have been able to ascertain, he did not again refer to the subject, nor does it appear to have been considered by the Government of India :—" It was at one time my intention to suggest the propriety of fixing the assessment for the permanent settlement in grain instead of coin; that is, that the average rate of produce per acre of the principal descriptions of crop should constitute the standard of valuation, the cash equivalent for which should be regulated by the market value of the produce, liable to redetermination, say every twenty years. Such a provision would meet all objections founded upon variations in the value of the precious metals and of prices; but upon full consideration, I apprehend that it might lead to doubts as to the *bonâ fide* permanence of the assessment. It is, I think, an open question whether some such provision should not be admitted into the engagements of the ryots with their landholders."

Improvement of the latter kind is measured, with at least some approach to accuracy, by the increase in the average price of produce for a number of years.*

The decision of the Secretary of State in regard to permanent settlements in Madras does not appear to be inconsistent with the opinion that, under other circumstances than those which prevail in that Presidency, a permanent settlement of the land revenue on the basis of a grain assessment might be desirable.

I understand the contention of the Secretary of State to have been substantially this,—that no permanent settlement of any kind, whether on a money or grain basis, was expedient in a country like Madras where certain preliminary and essential conditions had not been fulfilled.

Two such conditions are those which have been laid down by Her Majesty's Government in regard to the North-Western Provinces. It must be shown before any estate can receive a permanent settlement, *(first)* that the area of cultivation has almost reached the maximum that is possible; and *(secondly)* that there is no probability that the existing assets will, within the next twenty years, be largely increased by the introduction of canal irrigation.

It being assumed that under ordinary circumstances, these conditions are not fulfilled in Madras, it cannot, I think, be disputed that a permanent settlement of any kind would be inadmissible; for, whatever further conditions may be necessary, it appears clear that these two conditions cannot be dispensed with.

9. It may be noticed that the system which has been now referred to is similar in principle to that which has been adopted in England and Ireland under the acts for the commutation of tithes.

"The chief object of these statutes" (I quote from Kerr's Blackstone, Vol. II., p. 30) "is to substitute the payment of an annual rent of defined amount for the render of a tenth of the titheable produce of the land, or the payment of an arbitrary composition. To effect this, the gross amount of the annual sums to be payable by way of rent-charge in substitution for the tithes is first ascertained. One-third of the amount, when ascertained and settled, is to be represented by such a quantity of wheat, another third by such a quantity of barely, and the remaining third by such a quantity of oats, as the rent-charge, if invested in the purchase of those three species of grain, would have purchased at their average prices per bushel during seven years ending Christmas 1835. The tithe rent-charge is, therefore, in the nature of a corn-rent; but the payment is made in money, and varies annually, according to the average septennial value of the above three species of grain on the Thursday next preceding Christmas day in every year, as the same is published in the *London Gazette* in the mouth of January."

10. I do not now purpose to enter into this subject further. Although I have stated generally the views which I am myself disposed to hold, I do not think that the questions at issue have been so fully discussed that it would now be desirable for the Government of India to express any final conclusion regarding them. I think that the proper course now to adopt is to invite the Lieutenant-Governor of the North-Western Provinces to reconsider the whole question.

* In regard to this part of the subject, I may quote the following remarks from a paper written by an accomplished officer of the Government, Mr. LePoer Wynne, who has had much experience of settlement operations in the North-Western Provinces. Advocating a permanent settlement on the basis of a grain assessment, how, he asks, independently of improvements derived from the extension of canal irrigation or from the expenditure of private capital, would any general cause of increase or decrease in the value of the land manifest itself, otherwise than by an increase or decrease in the price of produce. "Why," he says "hesitate to put in words what you have accepted in fact? As you have assured the people that you will *not* tax their improvements, why not complete your assurance by telling them that what you *will* tax will be the difference between average prices now and average prices hereafter? * * Let it be considered how much is gained that it is desirable to gain, how much is avoided that it is expedient to avoid by the adoption of this small change. The State gains a revenue, the increase of which will correspond with that very rise of prices by which much of its increasing expenditure is caused. It gains a security for the loyalty of the landowners based on their sense of interest, and without the sacrifice involved in the attempt to gain this object by permanent settlement in its present form. And it avoids the heavy expense, and the temporary diversion of the services of its best officers, which temporary settlements cause. The landowners gain a security that their improvements will never be taxed, and that their contribution to State necessities will never depend on the discretion of any one man. They gain a power of disposing of their land at high prices, and they avoid the heavy contributions which they now pay at the recurrence of each resettlement; and they escape the loss in low rents and poor cultivation which they now, with the same object, willingly undergo for some time previously."

No. 1019, dated Nynee Tal, the 28th June, 1871.

From—C. A. ELLIOTT, ESQ., *Offg. Secretary to the Govt., N.-W. Provinces,*

To—A. COLVIN, ESQ., *Secretary to the Board of Revenue, N.-W. Provinces.*

REVENUE DEPT.

SIR,—Referring to previous correspondence on the subject of the Boolundshuhur Settlement, I am directed to forward copies of a Despatch No. 276, dated 26th May, 1871, from the Government of India.

2. It will be observed that the Governor-General in Council has acceded to the views of the Lieutentant-Governor in respect of the practical course to be followed, and His Honor acting on the permission given in para. 9, has been pleased accordingly to confirm the Settlement for 30 years, that is, to the close of 1888-89. You will be separately addressed in respect of certain estates the proprietors of which accepted a higher assessment on the understanding that it was to be permanent.

3. As regards the taking of engagements for cesses, I am to say that the Lieutenant-Governor has requested a reconsideration of the orders conveyed in para. 17, and the result will be communicated to you hereafter.

4. Meanwhile, I am to invite the attention of the Board to the strictures of the Government of India, not only as regards the existing conditions laid down by Her Majesty's Government for conceding a permanent assessment of the land revenue, but also as regards the established principles of Temporary Settlements. A few remarks are here offered mainly as indicative of the points on which the views of the Board are invited.

5. *First*,—On the conditions for a Permanent Settlement.

On 13th February, 1869, the difficulties in the way of applying the prescribed rules for Permanent Settlement to the Pergunnah of Baghput, Zillah Meerut, were submitted to the Government of India. From various causes the standard of rent was found to be greatly below that prevailing eleswhere. A full jumma, Mr. Forbes showed, would at these rates be about £24,500. The old assessment was £14,800, and Mr. Forbes believed that for the present it could not safely be raised higher than £21,000. His Honor thought that where the full assessment could be imposed within say seven years, such full assessment might be assumed as the basis of permanent assessment, on the ground that rents would before long rise in this pergunnah "to the standard prevailing elsewhere."

6. The extraordinary and sudden rise of rents in Boolundshuhur led the Lieutenant-Governor subsequently to take a wider view of the question; and the subject was discussed in His Honor's Minute* dated 22nd December, 1869, in which instructions were solicited from the Government of India.

* Submitted to the Government of India on 12th January following.

7. It was pointed out that the conditions on which the formation of a Permanent Settlement was conceded by Her Majesty's Government, were defective in not providing for the contingency of rents being at the time of assessment below the prevailing standard. In para. 38 a third condition was accordingly suggested, in addition to the two already laid down by Her Majesty's Government; and in para. 39, the subject was commended to the consideration of your Board, with the remark that "it might perhaps be possible to lay down some standard of average rates below which no Settlement shall be confirmed in perpetuity."

8. In para 40 it was further discussed whether, under certain limitations, it might not be expedient to make the land revenue, as settled in perpetuity, subject to revision, if the rise in the price of agricultural produce† should in the course of time exceed a given ratio. In conclusion, His Honor said:—"If care is taken that no Settlement be confirmed in prepetuity unless upon adequate rates of rent, and with such a condition as to rateable increase in proportion to increase of prices, the sacrifice of

† Not simply of "grain," as stated in para. 33 of the present letter of Home Department.

revenue would be mainly limited to what is legitimate, namely, the relinquishment of a share in the profits hereafter created by the investment of labour and capital."

9. On a review of what was thus laid before the Supreme Government, His Excellency in Council has requested that the Lieutenant-Governor "will now re-consider this great question of the Permanent Settlement of the North-Western Provinces." In complying with this request, His Honor trusts that he will receive the benefit of the Board's advice.

10. In addition to what has been said above, the Lieutenant-Governor will at present only suggest the further consideration whether the transition state, the results of which have been so marked in Boolundshuhur, can be said to have been passed in any part of these Provinces. As stated in para. 21 of the Minute above quoted, "under ordinary circumstances (where at any rate a revision of Settlement is not in immediate prospect), proprietors may be trusted from self-interest to raise the rates as high as cultivating profits, limited by custom, will admit;" but the process is gradual. It is probable that the extraordinary and sudden causes which wrought in Boolundshuhur have been operative in a similar manner (though in various degrees) in other parts of the country. But it cannot be said that the operation has anywhere ceased; and in some parts (as Rohilkhund and Goruckpore) it is probably as yet in great measure prospective. When the limit has been reached of assertion of his rights on the part of the proprietor as against the cultivator supported by custom and law, a season of comparative equilibrium may be expected. This of course can be tested only by the lapse of some years. And until this shall have come to pass, it may be unwise to advocate a final fixing of the Government revenue. In reference to these remarks the Board will consider whether in their view such an equilibrium has been anywhere reached, or whether, on the contrary, it is not rather to be assumed that the transition period has not been as yet fully passed through in any tract of country in these parts.

11. In para. 31, the Governor-General in Council has further suggested that as an increase of assets from canal-irrigation has been admitted a valid reason for refusing a Permanent Settlement, so also the introduction of railways, markets, or other public works ought equally to be a bar to permanency. The two classes of causes are, however, essentially different. The one increases produce; the other, under certain circumstances, increases prices. The latter would no doubt to some extent be met by the provision already proposed for allowing a revision of the permanent assessment in districts in which from any causes (such as the construction of railways or other works, as well as from a fall in the value of money) prices might be shown to have risen above a certain ratio.

12. *Secondly*,—I am now to pass to the criticisms of the Government of India on the existing system of assessment as applied to Temporary Settlements for a term of years. It is suggested that there must be "something essentially faulty in the existing system of assessment." Endeavouring to reduce to distinct charges the various points of objection (some of which are rather hinted at than directly expressed), they may perhaps be assumed as follows:—

I.—The standard of assessment is inadequate, and of proprietary profits excessive.

II.—The State should not suffer in its revenue because certain classes of the ryots are protected.

III.—Government is shut out from profiting by rise of rent within the term of Settlement.

13. In respect of the first, it will be observed that the Settlement of Boolundshuhur is taken as the normal type of Settlements in the North-Western Provinces. It is alleged that Government "is obtaining only about 35 per cent. of the rental of land;" and it is said, "that the amount of the revenue is so small, is a consequence of the system of Settlement followed generally in the North-Western Provinces; it is not the result of specially faulty proceedings in this particular District." It will be for

the Board to show whether such was the case, or whether the inadequacy (the ratio of which is, moreover, overstated*) was not rather the result of causes which happened to be at work in Boolundshuhur with singular activity in the interval which has elapsed since the Settlement, and which have affected other Settlements in a very modified measure, some perhaps not at all.

* The miscalculation runs equally through the speech of the Hon'ble Mr. Strachey. It is stated that the present revenue is 35 per cent. of what the full revenue should be: that full revenue being taken on Mr. Daniell's calculation at £141,000. The rental is therefore assumed at £282,000. But the present revenue is £123,000, which is 44 per cent. (and not 35 per cent.) of the assumed rental. The gross rental is believed to have increased about 14 per cent. since the assessment was made, and the full revenue would therefore be, as stated in the Minute of December, 1869, 14 per cent. higher than that assessment. The Government of India seem to have erroneously assumed that this is the same thing as to say that the assessment is less by 14 per cent. than 50 per cent. of the assets, *i.e.*, that it is 36 or 35 per cent. of the rental."

14. The strictures of the Governor-General in Council seem to be based on the failure of the present system to reach potential increase of rent developing subsequent to the Settlement, rather than on the inadequacy of the "half-asset," standard. But, as the Board are aware, this standard has been impugned in the Legislative Council, and it will be open to them in their reply to give their opinion as to the adequacy of the standard itself, and the general appropriateness of the assessments resulting from its application.

15. The second objection is thus stated:—"It can hardly be fair that the State should be unable to obtain its fair share of the assets of the land because tenants are well protected, or to say that for each rupee by which the existing revenue falls short of the amount to which the Government is entitled we ought to force the actual cultivator, who may be a tenant with occupancy rights, to pay two rupees to the landlord."

16. It may be observed that the remarks of the Lieutenant-Governor on which this stricture is founded did not refer specially to the case of "protected" ryots, but to a district in which the "prevailing rates" or "level of rent" for all classes was unduly low. It was assumed that these would, by the natural process of self-interest, rise to the prevailing level, or to what His Honor has termed "a fully-developed rental." On this His Excellencey in Council remarks:—

"This, however, is a remedy which could hardly be fully applied unless it were admitted that it is desirable, in the interest of the State, and of the public, that tenants should pay generally the highest possible rents, that the restrictions placed by law or custom on the power of a landlord to increase his rents, should be done away with, and that the rights of occupancy should cease. The Lieutenant-Governor, whose views on these subjects are well known, would be the last person to approve of any such conclusions."

17. The Board will not fail to perceive that the term "fully-developed rental" as used by the Lieutenant-Governor has been misapprehended by the Government of India; for His Honor by that expression meant only a rental equal to, and not abnormally below, the average rate of rent paid by similar tracts of land in the same or neighbouring districts, or the average rate which would be reached if certain exceptional causes tending to abate the rental were removed. But such a rental would be limited both by recognized rights, by custom, and by law.

18. His Honor is further, as the Board are aware, of opinion that the existing law does not admit, with sufficient freedom, of rent rising naturally. The protected classes are to a great extent, by Act X., 1859, a law to themselves; that is to say, the rent of any member of a protected class can seldom be raised otherwise than to the level of the rates prevailing in such class; whereas (in the Lieutenant-Governor's opinion) their rents should be permitted to rise in a ratio having some proportion to market rates. The rule, also, defining protected tenancies is too favourable to the tenant. A project of law for remedying both these defects was proposed by the Lieutenant-Governor some years ago, but, as the Board are aware, was not favourably received by the Government of India. If an enactment, such as was proposed, had been passed, the level of rent would no doubt already have been higher throughout the country, and the Government revenue based thereon also higher.

19. Recurring, now, to the imputation of "essential faultiness in the existing system of assessment," as applying to "protected" tenants, it is not quite clear in

what direction His Excellency in Council contemplates a practical remedy. It can hardly be in that of any direct assessment on the protected ryot by the State of an additional demand representing the share of the revenue held back by him, *i.e.*, a partial ryotwaree assessment.

20. His Honor takes the meaning of the Governor-General in Council to be that where cultivators are protected, and consequently pay lower than market rates, there the revenue should nevertheless be assessed on the proprietor as if full market rates were received by him. It will be for the Board to consider how far the existing rules may be rendered more effective for attaining this object. To a certain extent they do already attain it: that is to say, the "average rates" of prevailing rent are carefully considered, as well as actual rentals, and such rates do already in point of fact influence the assessment. Where, also, there are classes of specially privileged (or quasi-proprietary) cultivators intercepting a part of the customary rent which would otherwise reach the engaging proprietor, the revenue is nevertheless assessed at its full rate. If the rules now in force are not sufficiently decisive and explicit on this point, it will be for the Board to propose an amendment. But the danger (which will be further noticed below) must be kept in view of assessing upon a theoretical assumption of inadequate rents, whether such inadequacy be assumed to arise from general or from special causes.

21. There is another branch of the question which perhaps deserves attention, namely, the necessity for the deduction of a full half of the assets in the assessment of large Talookdars, and also of imperfectly cultivated tracts. This consideration applies probably with greater force to other Provinces than to the North-Western Provinces, but it should not for that reason be left out of sight by the Board.

22. First, as regards large Talookas. Those parts of the land may be eliminated in which sub-proprietary rights have been recognized: for there the half-asset margin is clearly not more than sufficient to meet the requirements of the double class of proprietors. But where subordinate rights have been stamped out, and a large rental is realized with little risk or expense, it might be questioned whether the sacrifice of half the rental is necessary. The Lieutenant-Governor is not prepared to say that a differential standard could be maintained, especially in these Provinces where such properties are comparatively rare; but as the first principles of our Settlements have been now called in question, it may be advisable to consider whether any change is possible or desirable. It should be borne in mind that such estates are liable to disintegration; and that the Settlement must be so framed that their component parts if held separately shall stand and prosper under the quota of revenue for which they are responsible.

23. Second, backward and partially-developed tracts are rare in these provinces, and where they do exist to any extent—as in the Terai, Singrowlie, and the Hills—the system is different, the occupants of the soil being dealt with more directly than elsewhere. At the same time it might be well, by way of precaution, with greater distinctness to declare the principle that the rule of Settlement at half the assets does not apply to imperfectly-cultivated and backward tracts.

24. Before quitting this part of the subject, I am to remark that the real difficulty, as it appears to His Honor, which has been so clearly brought out in the Boolundshuhur Settlement, is not occasioned by the inadequacy of "well-protected" rents; but, on the one hand, by the apprehended inadequacy of the general standard of rent prevailing at the time of Settlement, and on the other hand, by the danger of assessing additional revenue on the assumption that the standard of rent will shortly rise (as it actually did in Boolundshuhur) and become fully developed long before the term of Settlement closes. His Honor confesses that, for the reasons stated in his Minute of 22nd December, para. 21, he cannot see a full remedy. Settlement Officers do even now to some extent assess upon an expected rise of rent where there are evident signs that such a rise is approaching; and it is notorious that a rise in the revenue demand is almost invariably followed by a corresponding rise in rentals. But there is evidently a danger in the general application of any such principle: for frequently, "the mea-

sure of anticipated enhancement, or the certainty of any enhancement at all, must, under such circumstances, rest on mere hypothesis; and such assessment upon speculative assets might seriously depress and injure the proprietary interest. It would, therefore, be dangerous to allow the assessing officer to leave the hard ground of current standard rates, and, speculating on an expected enhancement, to rate his assessments upon such expectations." Still, under certain limitations, and with the safeguard that now exists of the assumed average or standard rates being first reviewed and sanctioned pergunnah by pergunnah by the Board, some license in this direction might be expressly permitted to Settlement Officers, as, indeed, it is already practically taken by them; and, such being the case, it is for the Board to consider whether the principles on which such anticipation of rise in rent is admissible should not be distinctly laid down for their guidance.

25. *Thirdly*,—The third objection appears to be that Government is shut out for a long term of years from the increased value which may accrue to land from causes other than those dependant on the labour and capital of the landholders. These are explained in para. 31 of the despatch. That paragraph applies immediately to Permanent Settlements; but His Honor gathers that, in the view of His Excellency in Council, they apply also to a great extent to Temporary Settlements, for at para. 25 it is stated that "the reasons which have been assigned by the Lieutenant-Governor for the opinion that the existing conditions for a Permanent Settlement are insufficient, seem also to apply, to a great extent, to the conditions under which Settlements in the North-Western Provinces are made for a term of 30 years."

26. On this subject His Honor would wish the Board to refer to the correspondence between the Board and Government in 1860,* on the question as applicable to increase of assets from canal-irrigation. The liability is admitted in this respect, and will perhaps to some extent be met by the "landlords' rate" on the increasing area of irrigation. But, as already noticed, there is a broad distinction betwen this and the other causes of increased value indicated in para. 31: the former increasing the *produce* in a definite and ascertainable measure, the latter increasing chiefly the *value* of the produce. It will be for the Board to consider whether any such condition as should leave the assessments open to fresh increase of taxation during the term of the Settlement in consequence of the diminished value of the precious metals, or the opening of railways, roads, and markets, would be compatible with the secure and fixed value of property for a term of years which is the cardinal basis of the existing system of Settlement. It may be questioned whether the Doab, for example, would have reached to its present prosperity under such a system during the recently expired Settlement; for each and all of the causes indicated by the Government of India have successively exercised a direct and powerful effect upon that tract during these 30 years, and each (under the supposed conditions) would have warranted the Government in stepping in and imposing an increase in its demand.

* See Board's address, dated 14th February, 1860.

27. The Lieutenant-Governor has on the present occasion confined himself mainly to indicating the several questions raised by this important despatch. His Honor need not add that he looks with confidence to the Board to consider with earnestness and impartiality the various subjects thus propounded for discussion. His Excellency in Council has himself enjoined the necessity of extreme caution. On the one hand, we have to consider a system which has been built up by the labours of some of the most eminent men whom India has seen; we are bound to confine our suggestions to that which is practical, and which will conform itself to the state of property indigenous in these Provinces, and as confirmed or modified by the course of nearly three-quarters of a century's legislation; we are bound, also, to consider the prosperity of the country and its ability to resist misfortune of season; and, above all, to remember that the maintenance of a contented and substantial peasantry and proprietary is a condition that must take precedence of every other. On the other hand, we are bound unprejudicedly to consider whether the Imperial revenues are in any respect unnecessarily sacrificed, and if so, to the best of our ability to provide a remedy. His Honor is sure that the Sudder Board of Revenue will not be found wanting in the proper treatment of this momentous question.

No. III, dated Allahabad, 27th September, 1871.

From—A. COLVIN, ESQ., *Secretary, Board of Revenue, N.-W. Provinces,*
To—ALL COMMISSIONERS OF REVENUE.

LAND REVENUE.

Present:
Hon'ble J. J. D. Inglis,
and
S. Reid, ESQUIRE.

SIR,—I am desired by the Board of Revenue to forward for your information copies of the letters marginally noted, regarding the question of a Permanent Settlement and the system of 30 years' Settlement in force in these Provinces. The Board request that you will furnish the several Settlement Officers, and such Collectors of experience as you may think fit, in your Division, with copies of the despatches: and that you will call upon them to report, so soon as they may have been able to give the matter their full consideration, upon the several points indicated in the following remarks. These reports, with your own review, should then be forwarded to the Board without loss of time.

From Secretary Government, North-Western Provinces, No. 1019A, dated 28th June, 1871, to Secretary, Revenue Board.
From Secretary, Government of India, Home Department, to Secretary, Government, North-Western Provinces, No. 276, dated 26th May, 1871.

2. The action taken by Government with regard to a Permanent Settlement of the land-revenue of these Provinces when they first came into our possession is fully detailed in Mr. Holt Mackenzie's Minute, dated 1st July, 1819. This, with despatches on the same subject from the Government of this country and the Court of Directors, as also the discussions during the last eleven years in regard to Permanent Settlement, have been, as you are aware, published among the Selections of Government Records.* These papers, with the letters now forwarded, you should carefully study.

3. The several points indicated by Government in respect of a Permanent Settlement are as follows:—

I.—Whether it might be possible to lay down some standard of average rates below which no Settlement shall be confirmed in perpetuity.

It will have to be considered under this head whether in the part of the country under the immediate observation of the officer reporting, rents have reached their full present limit. The rise in prices which has led in a chief measure to the rise in rents, will be the best, though by no means the only, test, of the adequacy of existing rent-rates. On review of the prices of past years, does it seem that any further large increase in prices is improbable? and have rents so generally risen with prices as to render a further rise unlikely in view of the probability of prices remaining stationary? Is population up to the ordinary standard? What is the margin of cultivable land, and what are the prospects of improved means of communication or irrigation?

In a word, Settlement Officers must show whether the transition state through which Boolundshuhur and other Districts are passing has been entered on, or would seem to be near an end, in their Districts. The Board expect upon this head such ample and exhaustive illustration, from rents, comparative tables of the value of land, prices of produce, or other sources of information, such as those above indicated, as it is within the power of every Settlement Officer to furnish.

II.—You have to record your opinion in regard to the expediency of a Permanent Settlement based on adequate rates of rent, as explained in the preceding paragraph, but subject to the condition of a rateable increase of revenue in proportion to the increase of prices (see para. 33 of the Government of India letter). The staple by which the increase of prices should be tested, the intervals, and the mode of applying the test, are points on which opinions must be furnished, if such mode of Settlement recommends itself.

4. In regard to the present system of Temporary Settlements, the following points are indicated for report:—

I.—Whether the present standard of assessment at 50 per cent. of the rental assets is inadequate, and whether the share of rental assets at present left to proprietors is excessive.

* Selection from Revenue Records of the North-Western Provinces, 1818-20, and the printed collection of official papers, 1869.

Under this head should be furnished a succinct and comprehensive review of the presures of the Settlement based on 66 per cent. of the assets, or whatever was the share taken at last Settlement. Illustration should further be given, so far as possible, of the average incidence of the present demand on the several classes of proprietors, considered as petty proprietors, or as proprietors holding average or large estates. The consideration pointed out in paras. 20-22 of the Government letter should also be taken up here, *viz.*, whether the Government share of rental assets should, as a matter of public policy, be in all cases limited to 50 per cent., or whether discretion should be left to the Settlement Officer; and if so within what limits, and subject to what conditions, such discretion should be given.

II.—It should be stated whether the operation of the Rent Laws results in any measure in restricting the full demand for land revenue to which the Government may be justly entitled. It will be remembered under this head that the success of much of the operations of the assessing officer is tested by the degree in which they are upheld by decisions given under the Rent Laws. Is it *generally* the case that rents upon tenants with rights of occupancy are not raised by the Courts to such a standard as, from facts noticed by the Settlement Officer—such as agreement between parties, value of produce, rates of rent paid by tenants having no rights of occupancy, &c.,—may seem equitable and fair? If no such general cause of obstruction exists, in what degree does it exist? And what are the remedies, if any, which are suggested to remove it?

III.—The extent to which, on theoretical grounds, in view of a Settlement for a term of years, enhancement of rent-rates beyond the present prevailing standard is or may safely be assumed as a basis of assessment, should next be stated. The expediency of assuming at time of Settlement any considerable rise in rents which is prospective only—in other words, of taking for an indefinite term of years a larger share than usual of the existing rental assets—must be weighed here with especial reference to the circumstances of each district.

IV.—The expediency of leaving the assessments open to enhancement or re-adjustment during a term of Temporary Settlement in consequence of the diminished value of the precious metals, or other causes—such as those enumerated in para. 25 of Government letter—with the effect of canals and other public works upon the assessment of the land revenue, will come under this head.

5. The above are the six points on which the Board desire your opinion, and those of experienced officers under you. They embrace the whole system of assessment of the land revenue in these Provinces as in force for more than the last 30 years. The fact of that system having worked well during the above period is not necessarily a proof of its being equally adapted to the circumstances and requirements of to-day. On the other hand, the mere amount of land revenue obtainable is far from being the only test of a sound system of assessment.

The Board invite the greatest freedom of suggestion in regard to the mode of ensuring to Government a full and fair revenue from the land, with due regard to landed interests, as existing by custom, and guaranteed by law, in these Provinces.

The experience of Settlement Officers should enable them to throw a flood of light on the questions raised by the Government of India. Speculative and theoretical suggestions, unless based on an exhaustive comparison of well-ascertained facts, and careful deductions therefrom, will be disregarded; but views of whatever nature, borne out by well-supported reasoning, will meet with the Board's fullest and most impartial consideration.

I have the honour to be,

SIR,

Your most obedient Servant,

A. COLVIN,

Secretary.

APPENDIX B.

Report by C. H. T. CROSTHWAITE, ESQ., *Settlement Officer, Etawah, dated the 2nd January*, 1872.

2. BY way of preface I may say that there can be no doubt that the promise of a Permanent Settlement was formally held out to the landowners of these Provinces by various legislative enactments at an early period of our rule. That the promise was, moreover, made by the Settlement Officers to individual zemindars, and in some cases in written leases, is also plain from the Minute of Mr. Holt Mackenzie. How far we are bound by that promise to carry out the measure irrespective of its political advantages is a question of some difficulty that must be left to the highest authorities to decide. I am well aware of our peculiar position in this country, and arguments drawn from the actions of the legislature in England or elsewhere seem to me entirely void of force. But, nevertheless, my own opinion is that, in deciding this question, we are bound to look not merely to the interests of the North-West Provinces, but to those of all India. And if imperial interests would be compromised by fulfilling the expectations held out to the people in these Provinces, we are justified in availing ourselves of the choice of action that has fortunately been left to us.

3. I will now take up the several points of discussion in the order indicated by the Board.

Firstly,—The possibility of laying down some standard of average rates below which no settlement shall be confirmed in prepetuity.

The Board remark that the rise in prices which has led, in a chief measure, to the rise in rents will be the best, though by no means the only, test of the adequacy of existing rent-rates. This I take to mean, that if the rent-rate has not risen in proportion to the rise in the prices of agricultural produce, it cannot be considered adequate: and that a rise in that proportion may, as a rule, be anticipated. It is necessary to consider how much prices have risen, and to what extent rents have risen in answer to them. When that point is settled, the connection between the rise in prices and the rise in rent will have to be discussed.

4. The following table shows the average prices of wheat, barley, chunna, jowar, and bajra, for the last three decades:—

	Wheat.	*Barley.*	*Chunna.*	*Jowar.*	*Bajra.*
	Phuppoond, Bidhoonah, and Oreyah.	Phuppoond, Bidhoonah, and Oreyah.	Phuppoond, Bidhoonah, and Oreyah.	Phuppoond, Bidhoonah, and Oreyah.	Phuppoond.
First decade	$33\frac{2}{5}$	$1{\cdot}11\frac{3}{10}$	$1{\cdot}5\frac{1}{4}$	$1{\cdot}13\frac{1}{10}$	$1{\cdot}12\frac{1}{4}$
Second decade, ...	$33\frac{1}{4}$	$1{\cdot}16\frac{3}{10}$	$1{\cdot}13\frac{3}{5}$	$1{\cdot}2$	$1{\cdot}1\frac{3}{5}$
Third decade,...	$21\frac{7}{10}$	$0{\cdot}32\frac{2}{5}$	$0{\cdot}29\frac{7}{10}$	$0{\cdot}30\frac{1}{4}$	$0{\cdot}29\frac{2}{5}$

It appears from this table that it is during the last ten years that the great rise in prices has occurred. It also appears that all grains have not risen in equal proportions. Wheat has risen in the last decade, as compared with the first, 36 per cent., barley 37 per cent., chunna 35 per cent., joar 43 per cent., bajra 44 per cent. Now this fact, that the average price of joar and bajra during the last decade has risen in a greater degree than the prices of wheat, barley, and chunna is worth notice. Mr. Plowden, in his note on wages and prices (a paper by the way that has not received half the attention from the public press that it deserves), gives a table of the average selling rates of wheat and bajra, from which it may be elicited that the oscillations in the price of bajra have been much greater than those in the selling rate of wheat. Whatever the causes are that

have raised the prices of grain produce, they have affected the poorer autumnal grains much more than the better grains of the spring harvest. Now does not this fact point to a failure of rain and a bad harvest as the chief cause that has been at work? I would suggest this as a further confirmation of the conclusion to which Mr. Plowden has been led by other considerations.

5. We have, then, as the result a rise in the last ten years of 36, 37, and 35 per cent. respectively in wheat, barley, and chunna, and of 43 and 44 per cent. in joar and bajra. Let us see what has been the rise of rent in the same period. I have no statistics from which I can show what the average rent-rate in the district was at last Settlement, so as to compare it with the average rent-rate now existing. But I do not regret the absence of these statistics, because I think a comparison of average rent-rates in this way is very misleading as to the rise in the letting value of land. More especially is it so here, because Mr. Gubbins gave all mouroosee asamee a lease for thirty years, and bound the zemindars not to enhance their rents during that period. We have therefore in the rent-rate reports submitted from this district analysed all the instances of enhancement of rent (so far as we could ascertain them from the putwarees) that have occurred during the last ten years. The results are as follows for three tehseels in which the enquiries have been completed :—

	Number of acres affected.	Old rent-rate.	New rent-rate.	Rise per cent.	Rate paid by Sub-tenants.	
					Seer.	Cultivators.
		Rs. a. p.	Rs. a. p.			
First—Rise by suit—						
(1) Phuppoond, ...	990	3 11 0	4 12 2	28·8	5 6 11	4 13 6
(2) Bhidoonah, ...	1,938	3 15 4	4 12 9	21·	6 6 7	5 8 2
(3) Bhurthna, ...	587	3 4 8	4 3 7	28·	4 0 9	3 14 9
Second—Rise by change—						
(1) Phuppoond, ...	5,649	3 12 2	4 13 0	28·3	I give these rates paid by sub-tenants to show how far the enhanced rents are from being rack-rents.	
(2) Bhidoonah, ...	8,301	3 11 1	5 2 7	39·		
(3) Bhurthna, ...	603	3 14 0	4 3 5	8·5		
Third—Rise by consent—						
(1) Phuppoond, ...	19,018	3 14 7	4 8 1	16·1		
(2) Bhidoonah, ...	17,405	4 6 2	4 15 9	13·		
(3) Bhurthna, ...	59,639	2 9 0	3 8 9	36·		

The land affected by enhancements amounts in all to 1,14,130 acres. The total of the cultivated land in the three tehseels is as follows :—

Phuppoond, ...	78,549
Bhidoonah, ...	86,157
Bhurthna, ...	1,35,858
	3,00,564

The area enhanced is therefore 38 per cent. of the total cultivation—leaving 62 per cent. unenhanced during the last ten years, that is, since the great rise in prices began to be felt.

6. Of the 38 per cent. that has been subject to enhancement as much as 31·9 per cent. on the total cultivation has been raised by consent.

The enhancement by suit have been few. It will be seen that the rise has in no case exceeded 39 per cent. The greatest rise per cent. over the largest area has been in Bhurthna, where it is chiefly due to the action of the landlords who were given villages in reward for loyal conduct in the year 1857. These enhancements were made without the intervention of the courts: but not, I believe, without very considerable pressure on the tenantry by the Collector. They may therefore be considered as exceptional. In the other tehseels rents have not risen by agreement more than 16·1 per

cent. in Phuppoond, and 13 per cent. in Bhidoonah, on the average. When the aid of the Courts has been invoked, the highest average rise is 28 per cent. in Phuppoond and Bhurthna, and the lowest 21 per cent. in Bidhoonah.

In those cases where by lapse of the lease land has come completely into the power of the landlord, the rise has been 39 per cent. in Bidhoonah, and 28 per cent. in Phuppoond. The instances that have been collected from Bhurthna cover too small an area to be worth quoting.

7. Prices then have risen, as we have said before, 36, 37, and 35 per cent. in the case of wheat, barley, and chunna, and 44 and 43 per cent. in bajra and joar, in the last ten years.

During the same period the rise of rent has been as follows :—

Percentage of area enhanced.	Rise in rent rate per cent.
22·64	36 to 39
2·06	28·
0·6	21·
6·8	16·
5·94	13·
38·	

Not more than 25 per cent. of the cultivated land has risen in proportion or nearly in proportion to the rise in prices, while 62 per cent. has been subject to no enhancement.

8. It may be said, then, that if the rise in prices is the cause of the rise of rent, by far the greater part of the rise of rent is to come ; and, supposing prices to rise still more, or to remain stationary, no doubt will come.

9. But prices may fall. Indeed, this last year they have fallen, and have returned very nearly to the average of the period anterior to their late rise. Nor do I think it at all unlikely that we may be about to enter on a cycle of good harvests. The question then arises as to the connection between rent and prices, and as to the cause of the high prices. I am pursuaded that the influx of silver has had less to do with the rise in the prices of agricultural produce than is maintained by the Indian economist and his school. The question is a long and difficult one. But I refer for proof to Mr. Plowden's valuable paper on wages and prices published this year, and to the fact, hitherto I think unnoticed, that the prices of the autumnal grains,—jowar and bajra —that depend on the rains and ordinarily furnish the bulk of our population with food, have been much more affected than the price of wheat or of barley. That this is the case the statistics of most districts will, I think, show.

10. The last Price-current published in the *Gazette* of the North-Western Provinces gives the selling rates current at the close of November. This is the time of year when the autumnal grains should be cheapest, and when, the market having been called on for large supplies of seed for the next crop, the winter grains are generally dearest. Now the statement in the *Gazette* shows that in this Division common wheat was selling at 22·10 seers per rupee, while bajra sold at 23·14, and jowar at 25·12. The explanation of this is, that last spring harvest was an abundant one, whereas the bajra and jowar harvest this year has been unusually bad. In short, the quantity in the market is influencing the prices of grain more than the fall in the value of money. I do not of course maintain that the fall in the value of money has not affected the prices. But I assert that the late high prices are caused partly by the fall in the value of money and partly by the bad seasons so frequent in the last decade. A fall to some extent in prices may, I think, be looked for.

11. The question, therefore, how far rents depend on prices becomes important. In an able paper that appeared in the *Calcutta Review* a year ago, and was written, I think I may say, by Mr. Wynne, this question was dealt with. What he has there said is, I think, worthy of every attention in so far as it relates to the connection between the rise of rent and the rise of prices.

12. The people are all impressed with the belief that the rise in rents depends on the rise in prices. I seldom see a zemindar without his urging upon me the danger of building on the present rates of rent in view of the falling prices, and I think that this opinion is the popular one. Nevertheless, I am convinced that it is the increase of population that is pulling up the rents, and that will maintain them.

If the rise in prices were the cause, we should expect the rate of rent to rise pretty equally over all sorts of land. If the best manured land near the village paid Rs. 10 per acre formerly, it ought to pay Rs. 13. If irrigated land paid Rs. 6, it ought now to pay Rs. 8, and so on. Now this is not the way rents are rising. But more land is highly cultivated, and more land is irrigated than formerly, and these lands are raised to the higher rates that have been paid all along by other land. Of course, isolated cases do occur where a new rate altogether is produced, and when land is let at a rate hitherto unexampled. Such instances were frequent in the cotton-famine years when speculators offered fancy prices for land. But that is not the normal condition of things. The best illustration I can give of the way that rent is rising is by comparing the land of the district to the land round a large town, which, year by year, grows in value as the suburbs extend, and lets not at rates hitherto unknown but at rates given as yet only for land in the heart of the city.

13. The increase of population not only increases the demand for food, but supplies more competitors anxious to obtain a livelihood by tilling the land. The landlords thus get the upper hand, and are able to raise the price of outlying lands, and the tenants are compelled, by higher farming and greater industry, to make the soil pay the increased demand.

14. Owing to the checks imposed on the landlords by custom and by law, the action of this competition, caused not so much by rise of prices as by increase of population, is very much retarded. It has still to make itself felt, and its final results are probably far distant. I see every reason to suppose that rent will go on rising to the level of the rent of that land that we call "Gohan"—*i. e.*, highly-manured, well-farmed land. It is no new thing for men to pay Rs. 10 per acre for Gohan land. But where one acre* paid that rent at last Settlement, two can pay it now. Thirty years hence, barring war, pestilence, or famine, that may thin the population and throw land out of cultivation, the increase ought to be still greater. Setting aside then the question of prices, I believe that so long as population increases, and men have nothing else to look to for a livelihood but agriculture, rents must rise, and will go on rising, until something near an European standard is reached.

15. I consider, then, that it is impossible to lay down any standard of average rates below which no settlement shall be confirmed in perpetuity. No rates could fulfil the two conditions of saving the Government from an unreasonable loss, and of being suitable to the present condition of the country. Could a Permanent Setttlement have been made in Queen Elizabeth's time of land in England, so as to fulfil these conditions?

16. As to population and communication, there is no doubt that this district is on the whole in an advanced state. The population by the last census is 384 to the square mile; but owing to the large amount of barren land, the population to the square mile of cultivation is much more, being more than double the number in some of the pergunnahs. The river Jumna affords a valuable and cheap means of exporting produce. The railway intersects the district from east to west. There are fine railway stations within the boundaries. There are numerous good roads in every direction; and, for some time, at least, I should anticipate no great progress in this respect. Still the full effect of all these things on the land has yet to be felt. And unless the population is diminished it will be felt.

* The Gohan areas at last Settlement varied from 9 per cent. in one pergunnah to 8 and 7 in others. The areas for the three revised tehseels are now as follows:—Bhidoonah 17 per cent., Bhurthna 14 per cent., Phuppoond 14 per cent.

17. As to irrigation,* I am far from thinking that we have reached perfection. The large tract of land that lies between the Seyngur and the Jumna is almost devoid of wells. It is a tract that would repay irrigation better than any I know, except the similar belt of land that lies along the high bank of the Boorh Gunga. It is contemplated, under the Lower Ganges Canal system, to provide water for this tract. However much the rest of the district may be counted ripe in the matter of irrigation, this land, forming roughly about one-fourth of the cultivated area, must be excluded from the category.

18. With regard to the selling price of land, the statistics required are given in Appendix. But the causes affecting the price of land are so many and complicated, and the difficulty of knowing the price really paid is so great, that I attach no importance to the figures connected with it.

To sum up my views on this head, I consider a Permanent Settlement based on adequate rates—if by adequate is meant rates that will secure the State from being a heavy loser—to be an impossibility.

19. The question next in order is, whether by a rateable increase of revenue in proportion to the increase of prices, the evils of resettlements can be avoided while their advantages in the shape of an increase of revenue are in part secured.

20. I am alive, as every officer must be, to the evils attending a resettlement, although I think that they have been somewhat exaggerated. The expense and temporary disorganization caused by Settlement operations are no doubt great. But, so far as my experience goes, there is little, if any, of that wilful abandonment of cultivation, and deterioration of its quality, that is frequently spoken of as general. Still I would gladly welcome any plan that would avoid resettlements. The proposed plan, however, does not appear to me to be practicable. Nor, indeed, do I think it quite sound theoretically.

21. It assumes two things. First, that the rise in the prices of produce depends solely on the influx of silver; and, secondly, that a staple can be found that for each Province or part of a Province will act as a barometer for the value of silver. It also assumes, as a consequence of these two assumptions, that each individual estate will be able without hardship to pay an increased revenue in proportion to the increase in the price of the selected staple.

22. I feel some distrust of my own judgment in opposing a scheme that has received support from some of the best authorities. But the endeavour to see how it would work in practice has shown me difficulties that I cannot overcome. In the first place, if the rise and fall in the prices of produce, are influenced as much or more by the character of the harvests than by the influx of silver, then the proposed scheme will lead us into a very great practical difficulty. For no one will hold that bad harvests increase the value of the land affected by them. Yet if the rise in prices is caused by a series of bad seasons, then under the proposed system of assessment, the revenue will be increased in inverse ratio to the ability of the people to pay. For example, the most rigid economist and supporter of the silver influx theory, will hardly maintain that the bad harvests of 1860 and 1861 did not cause rise in price of wheat in Meerut from 27 seers in 1859 to 15 seers in 1861: or that the return of a good season had nothing to do with the price falling in 1862 to 28 seers. Now, whatever series of years we may take for the purpose of striking an average, such seasons as 1860 and 1861 must have a very great influence on the figures. The revenue, then, of every estate in the Meerut District would be increased, say five per cent., because of the increase in the average price caused by the bad years 1860 and 1861. But many estates suffered greatly in those years, and the rents of those years were probably not collected at all in lands unprotected by

*Percentage of irrigation is as follows :—

Bhurthna,	...	...	...	...	...	...	45·08
Phuppoond,	...	...	...	...	...	...	75·4
Bhidoonah,	...	...	...	...	...	...	78·54
Dulelnuggur,	...	...	...	...	...	...	12·2
Etawah,	...	...	...	...	...	...	not yet known.

irrigation. While in the canal villages the famine outside doubled and trebled the incomes of the cultivators. What then would be the result of the proposed plan? The famine-stricken estates would be punished by an assessment heavy in proportion to their sufferings, and the irrigated estates would not pay half of the increase fairly due from them. This injustice would be intensified in districts like Ajmere that were depopulated by famine. Such would be the logical result. In practice, of course, after much reporting, minuting, and despatch-writing, the precious permanent arrangements would be cast to the winds, and an officer would be sent to do justice. But, inasmuch as honour would prevent us from drawing back from our word in the other cases, all the loss would fall on the revenue.

I see no way out of this difficulty except by denying that bad seasons have any influence or any appreciable influence on the rise of prices.

23. Then comes the difficulty of finding a staple, and of deciding the number of years for which an average is to be struck. These are difficulties I leave to the advocates of the plan to overcome. An examination of price-currents will show that all produce is not rising in the same proportion. Mr. Plowden has shown that ghee and oil, no unimportant products of the farm, have not risen in anything like the ratio of wheat and other grains. How are we to decide which of the many grains is the staple that answers most accurately to the fall or rise in silver? Mr. Wynne answers this question as follows:—"It appears to us that, as the object is to measure the profits of the landowner that species of grain might well be selected as the staple of the tract which is generally taken by the village bunnias in payment of their debts." This is a tangible suggestion, and the best probably that can be made. But it seems to me that it is open to the objection that the profits of the landowner can no more be measured in this way than the profits of the bunnia. The price of such a staple might be a fair guide to the value of each rupee: but it cannot guide us to the number of rupees in coming either to the landowner or money-lender—even adjacent estates in the same districts differ very much in their products. If the staple selected was the only or even the chief product, then I can understand that its price might guide us in measuring the profits of the landowner. Although even then a rise in price would by no means argue a rise in profits; but I cannot see how the price of wheat, for instance, can guide us in estimating the profits of an estate whose chief products are rice and sugar.

I say it with deference to the advocates of the scheme, but it seems to me that at the bottom of it lies a confusion of thought that does not distinguish between the measure of a rupee and the measure of profits made up of an unknown number of rupees.

24. If such a system of assessment be adopted, it would be necessary as a preliminary measure to value each estate strictly on its productive capacity. This is a task that I think is almost impossible at present. We know very little about the produce per acre of land in general, much less have we any accurate knowledge regarding the produce per acre of each estate. The people themselves hardly know it, and if they did they would never truly state it. A wide and long-continued series of experiments would be necessary to ascertain it.

25. The difficulty of making an equal assessment is very great. A Settlement Officer is liable to error. It is the interest of every one to deceive him. But any errors of over-assessment that are committed will, under this system, be increased at the rate of compound interest at each successive period.

26. For these reasons I condemn the proposed plan as impracticable.

The chief advantage attendant on it is the saving of the cost of resettlements. As for any political advantages they are *nil*. To the people at large, I believe, such a settlement would give no feeling of security whatever.

27. I now turn to the questions regarding temporary settlements. It is very difficult to say accurately what the pressure of the past Settlement really was, because we do not know what the rentals were. All that we have to guide us in forming an

opinion is the state of cultivation at the time, and the general effect of the assessment. Mr. Gubbin's assessment was based on the 66 per cent. standard: and I think it may be said that his demand was fully up to it in most cases. But at the time of his settlement a very large amount of land had been newly abandoned. Thus in Bidhoonah there were 21,580 acres, in Phuppoond 18,303 acres, in Bhurthna 22,071 acres, in Etawah 17,453, and in Oreyah 12,184 acres, making altogether 91,591 acres*. Now this was land that had been thrown out of cultivation by the great famine of 1838. It was undoubtedly land of the poorer class, but it was land that had been regularly cultivated, and to some extent irrigated. Now on all this land Mr. Gubbins put the very highest rates, lower than those applied to the worst land under cultivation. I have no data to show in what time this land was brought again under the plough. But the present survey shows that it has returned to cultivation. It formed then a reserve of no small value from which, year by year, the pressure of the demand was lightened. But notwithstanding this, it may safely be affirmed that Mr. Gubbins' settlement was as heavy as was consistent with the prosperity of the district. In the Oreyah Pergunnah, which has not benefited by the canal or the railway, the assessment has been almost too heavy. The zemindars have not been able to bear up against bad seasons, and many of them are heavily in debt. In the other pergunnahs, the pressure of the assessment has been very much lightened by the extension of irrigation and opening up of communications. In them the Settlement has worked well. But notwithstanding all improvements, the district will not bear more than a very moderate rise. I say this without regard to any standard, either of half assets on two-thirds, that it would endanger the prosperity of the district to raise the revenue more than ten or fifteen per cent.

28. The share taken of the assets must depend upon the way in which the assets are calculated. If we take the present assets ascertained to be now enjoyed by the landowner as the basis of our assessment, I am sure that two-thirds is a moderate demand. If, on the other hand, we take the possible assets, the assets that the estate ought in the judgment of the assessing officer to yield half should be the limit. In that case, namely, if the demand be limited to half, the assessment should be based on calculations drawn from the new or enhanced leases. The present prevailing standard cannot be taken as the basis of assessment. For instance, I have shown that 62 per cent. of the land has not been enhanced in the last ten years. The prevailing rents would, therefore, be pretty much what prevailed thirty years ago. If we settled on them, the rise of rents that would follow the competition of the assessment would soon show as our mistake. I am, therefore, of opinion that under the circumstances of this district, we must assume a prospective rise in the rents of a vast number of estates. In other words, we must take more than half of the actually existing rental until the landowners raise their rents.

I have acted upon this principle; and I feel sure that my assessments at present are nearer to two-thirds than one-half of the existing assets—*i.e.*, of the rentals as they now stand.

I must guard, however, against the supposition that I have acted on theoretical grounds. Before a Settlement Officer assumes a rise in rent he ought to be able to show that such a rise is actually taking place. If I found that leases were being renewed on the same terms, and that no instances of enhancement could be adduced, I do not think I should be justified in assuming a rise merely on theoretical grounds.

29. The question here arises, whether the income left by this method of assessment to the landowners is excessive, as compared with the incomes of other classes.

In my reports on Pergunnahs Bhidoonah and Phuppoond, I have given tables showing the incidence of the revenue on the proprietors. It will be sufficient to state here that in Bhidoonah, the average area owned by each proprietor is 59 acres, and the amount of revenue, according to the revised demand, Rs. 75. In Phuppoond, the area is 83 acres, and the amount of revenue Rs. 122 per head.

* About 20 per cent. on the land then in cultivation.

The statistics for the other tehseels are not yet prepared. But they will not, I think, differ materially from those here given.

Assuming that my calculations give the real value of the land, each proprietor in Bhidoonah has, on the average, a rental of Rs. 150 per annum, and in Phuppoond (where the average is affected by the existence of one large landowner) Rs. 244. Excluding this large property, the average rental of the remainder will be reduced to Rs. 208.

Now taking the largest average rental that of Phuppoond, the proprietor has to pay as follows :—

Land revenue,	...	...	...	Rs. 104
Cesses at ten per cent.,	...	...	...	„ 10
Putwaree at six per cent.,	...	...	...	„ 6
				Rs. 120

Leaving him Rs. 88 per annum, without taking into account losses from bad debts or any incidental expenses.

But then it will be said there is the "seer." Well, the "seer" in Phuppoond (excluding the large landowners) is, on the average, four acres per man. Its rental has already been taken into account. Now let us suppose that the farming profits on four acres amount to Rs. 20 per acre,* then altogether our average landowner will have an income of $(4 \times 20 + 88) = 168$ rupees per annum, *i.e.*, 14 rupees per mensen. But it will be said he has grazing land and other advantages. I admit it; but even so, it will be impossible to place the average income of the landowner at a higher figure than Rs. 20 per mensem. That is to say, he is about twice as well off as our cooks and about four times as rich as our grooms. From my knowledge of their circumstances and mode of life, I believe this is no exaggeration.

Is it then possible to wish to reduce our "upper classes" to a still lower level? Yet an assessment at two-thirds of the assests, supposing the assets to be calculated as at present, would reduce them to a much lower standard of living.

As to the cultivator's profits, I do not pretend to be able to estimate them. The right of occupancy-tenant is on an average nearly as well off as the small proprietor. In Phuppoond, for which tehseel alone I have the statistics ready, his average holding is 7 acres. So that taking the profits as before at Rs. 20 per acre his income would be about Rs. 150 per annum.

But this estimate is, I must confess, opposed to the calculations of some high authorities. The distinguished officer at present at the head of the new department of agriculture was, as you are aware, for many years, Collector of this district during which time he devoted himself to the preparation of agricultural statistics. I have not his report by me to refer to. But if I recollect right, his conclusion, arrived at after much research, was, that the average income of a cultivator in this district was about ten rupees per annum. If that is the case, or anything like the case, there would not appear to be much room to increase the standard of assessment, unless, indeed, our estimates of the rent of land are, as some people may assert, absolutely and ridiculously false.

30. The discretion that should be left to a Settlement Officer in assessing is a difficult question. That discretion is already very large. Every officer takes into consideration the waste land of an estate. If it is likely to be soon cultivated, something is added to the demand on that account. I do not think too wide a discretion can be allowed in this direction. The question of assessing talookdars or proprietors of large estates on a different standard from the small proprietors is a very different one. Probably, every one is a little harder on a large proprietor who has the means to coerce his tenants, and can afford to go to law with them. But to assess a man at a larger amount, simply because he happens to be well off, savours rather of communism, and is, I think,

*I put it as high as possible to make my argument stronger. In reality, ten rupees would be nearer the truth.

radically unfair. The assessment should be guided by the valuation of the land, not by consideration of the person who owns it. To assess a man heavily because he is rich is as unjust as to assess him severely because he is very skilful and industrious. We have given up the latter error, do not let us adopt the former.

31. Except in very exceptional cases, the operation of the rent-laws do not, in my opinion, result in restricting the full demand for land revenue. But they do, I think, throw a very unnecessary burden on the landowner, and, eventually, on the tenant. No one, with any show of reason, can uphold the present state of the law, which compels the landlord to bear the cost and expense of suits to raise his rent to a standard that is fixed by the Settlement Officer. I think it would be only ordinary justice to relieve such suits at time of settlement from the stamp duty. Some persons would go further, and would take the appeal in such cases from the cognizance of the Civil Courts. But I do not think that it is necessary to do this. If a man could not only assess but fix the rents that are the basis of assessment, a not altogether useless check on over-assessment would be taken away.

32. As to the conduct of such suits by the District Courts opinions must vary. The general result in this district has been an enhancement not much below that which on *á priori* grounds might be thought fair. But I have met with individual cases in which the landlord had received a very inadequate enhancement. Speaking generally, I do not think that these cases are, as a rule, well done by the District Courts, or by the Settlement Courts, until they have been instructed in the work. Not through any fault of theirs, but unavoidably from the nature of the case, and their ignorance of the country, and the prevailing rent-rates.

The usual course of procedure is to direct a local enquiry, and to take the rates of the four adjacent fields, the average derived from which is supposed to give the prevailing adjacent rates. In estates where most of the tenants are of long standing, enhancement on these terms becomes impossible. Suits are discouraged, the landlords are hopeless of obtaining what they want, and are glad to take any increase, however inadequate, rather than resort to law.

33. The decision of these cases virtually rests with the officer making the local enquiry. Unless the Judicial Officer has sufficient knowledge to say whether the result is fair or not, all he can do is to accept the conclusions of the "commission." A Settlement Officer has an advantage in these cases that no one else can have. He knows at once whether the proposed rates are adequate, and he can direct the enquiry to be made where he knows adequate rents are to be found.

34. I see no remedy for this evil except one that I fear it is useless to propose—namely, to fix all rents at the time of Settlement and for the period of Settlement for occupancy tenants, leaving the rents of the tenants-at-will alone open to variation. There would then be no such thing as a suit for enhancement except during Settlement operations. I am convinced that a measure of this kind would benefit the country at large, and is the only way of avoiding very serious agrarian troubles hereafter. It is hostile to English notions of the rights of a landowner; but I am not sure that it is not more in consonance with the real constitution of property in this country than the present state of things; and if the rents fixed were adequate, the present benefits of the measure to the zemindars would counterbalance the prospective loss.

35. As to leaving the assessments open to readjustment during the currency of the Settlement, upon any ground whatever, I think that it would destroy the confidence of the people entirely. A Settlement whether temporary or permanent is not of itself advantageous. It is for its effect on the minds of the people that it is valuable. It is the one point in which we have shown any real stability. And the only thing that could make me advocate a permanent settlement is the mischief and uncertainty resulting from the discussions as to the standard and basis of our assessments.

I must apologise for the hasty and imperfect way in which I have dealt with these questions. But I am so pressed with work at this season of the year, that I have had great difficulty in finding time to answer them even as perfunctorily as I have done.

Statistics of the Transfers of Land—Tehseel Phuppoond—Mortgages.

	Acres.	Price per Acre.	Revenue per Acre.
		Rs. a. p.	Rs. a. p.
First decade, ...	416	2 5 6	1 3 5
	3,498	Unknown.	1 6 8
	3,914		
Second ditto, ...	1,931	3 7 0	1 2 9
	395	Unknown.	0 13 9
	2,326		
Third ditto, ...	1,729	7 8 11	1 3 5
	50	Unknown.	1 12 5
	1,779		

Private Sale.

	Acres.	Price per Acre.	Revenue per Acre.
		Rs. a. p.	Rs. a. p.
First decade, ...	8,383	2 9 3	1 8 1
	1,883	Unknown.	1 5 1
	10,266		
Second ditto, ...	4,180	6 4 0	1 5 9
	4,076	Unknown.	1 0 2
	8,256		
Third ditto, ...	5,847	9 5 10	1 9 1
	158	Unknown.	1 9 2
	6,005		

Forced Transfers.

	Acres.	Price per Acre.	Revenue per Acre.
		Rs. a. p.	Rs. a. p.
First decade, ...	15,304	1 15 9	1 6 8
	2,398	Unknown.	1 8 5
	17,702		
Second ditto, ...	4,738	4 8 9	1 1 2
	1,483	Unknown.	1 1 4
	6,221		
Third ditto, ...	2,044	7 5 8	1 7 0
	315	Unknown.	1 5 3
	2,359		

Statistics of the Transfers of Land, Tehseel Bidhoonah.

	Area in Acres.	Price per Acre.	Revenue per Acre.
1.—FORCED TRANSFERS.		Rs. a p.	Rs. a. p.
First decade, ...	1,791	3 1 3	1 10 3
Second ditto, ...	3,110	2 2 11	1 1 7
Third ditto, ...	2,340	3 12 6	1 2 3
2.—PRIVATE SALES.			
First decade, ...	4,039	2 12 6	1 5 3
Second ditto, ...	9,425	5 4 1	1 5 5
Third ditto, ...	10,583	7 13 10	1 5 1
3.—MORTGAGES.			
First decade, ...	1,929	1 10 8	1 0 0
Second ditto, ...	8,633	2 4 0	1 5 1
Third ditto, ...	6,385	4 13 1	1 8 0

Appendix IV.—Statistics of the Transfers of Land, Tehseel Bhurthna.

Description of Transfer.	Whole Villages	Parts of Villages	Acres.	Price.	Jumma.	Average price per Acre.	Purchases Year.
			BEFORE MUTINY.				
Enforced sales by auction for arrears, ...	13	...	7,608	Rs a. p. 55,923 0 0	Rs. a. p 9,074 0 0	Rs. a. p. 7 5 7	Rs. a. p 6 1 0
Ditto under orders of Courts,	2	...	1,217	4,825 0 0	471 0 0	3 15 5	10 3 0
Ditto ditto, ...	...	6	2,408	2 301 11 0	1,912 9 8	0 15 3½	1 2 0
	2	6	3,625	7,126 11 0	2,383 9 8	1 11 3½	2 11 27
Total of enforced sales, ...	15	6	11,233	63,049 11 0	11,457 9 8	5 9 9	5 6 0
Private sales, ...	17	...	13,273	42,379 7 2	14,998 7 4	3 3 1	2 5 0
Ditto ditto, ...	...	38	12,919	61,114 14 9	15,848 14 2½	4 12 10½	3 10 0
	17	38	26,192	1,03,494 5 11	30,847 5 6½	3 15 3	3½ 0 0
Grand Total, ...	32	44	37,425	1,66,544 0 11	42,304 15 2½	4 7 2½	3 11 7
			AFTER MUTINY.				
Enforced sales by auction for arrears, ...	...	1	73	580 0 0	100 9 10½	7 15 1	5 9 0
Ditto under order of Courts,	...	16	807	7,140 7 6	1,020 7 10½	8 15 6	7 1 0
	...	17	880	7,720 7 6	1,121 1 9	8 12 4	6 11 0
Private sale, ...	10	...	9,403	49,468 0 0	10,554 12 0	5 4 2½	4 8 0
Ditto ditto, ...	...	67	12,263	1,46,941 0 0	14,119 2 4½	11 15 11	10 4 0
	10	67	21,666	1,96,409 0 0	24,673 14 4½	9 1 0½	7 11 0
Grand Total, ...	10	84	22,546	2,04,129 7 6	25,795 0 1½	9 0 10	7 10 29
Percentage rise on enforced sales made before mutiny							56 4 9
Ditto ditto, private ditto, ditto, ...							129 5 0
Ditto ditto, total ditto, ditto, ...							103 6 3

Report by C. W. MOORE, ESQ., *Offg. Collector of Etawah, No. 22, dated the* 17*th January*, 1872.

2. I HAVE not the time at my disposal to fully discuss the questions raised, nor do I suppose that the remarks I am in a position to offer will be of much value, unsupported as they are by statistics, but in obedience to your expressed wishes, I offer, with diffidence, a few observations.

3. I would premise, that in my opinion a Permanent Settlement is not such a valuable arrangement as some authorities seem to think. Its chief value, as I understand it, is to encourage landlords to improve their estates, and to bind them to our Government by the feeling of self-interest. As regards, the latter point, it is no doubt an important political advantage to have the landed interest on our side, but this is so only if the landlords themselves have influence. I will not now go into the details of the question whether the present landlords have really much influence, or why they have not. I do not think they have myself. The tendency of our rule has been to destroy the old semi-feudal relations between landlord and tenant. And our Civil Courts have been the means of introducing a large number of persons as landlords, who not only have no influence but are disliked in their estates. The political advantage of having the suffrages of landlords is therefore much diminished. On the other hand, I think that whatever the causes may be, landlords have not in Bengal done for their estates what might reasonably have been expected of them, and I do not see reason to believe that a different result would be obtained in these Provinces if a Permanent Settlement were concluded, I am therefore no advocate of a Permanent Settlement on any conditions.

4. The Board ask,—1*st*, whether it would be possible to lay down some standard of average rates below which no settlement should be confirmed in perpetuity.

The Board say that it is the rise in prices which has led chiefly to the rise in rents. Before we can say whether this rise is likely to continue, it is necessary to discover what led to the rise in prices, and whether rents have risen to their full limit. To the latter question, I have no hesitation in replying that rents have not so risen in this district.

As regards the causes of the rise in prices they are various. An influx of silver coin depreciating the value of money, a series of bad or indifferent seasons, an increase in the population without a corresponding increase in land under cultivation, and the opening out of new lines of communication by which hitherto cheap markets can supply tracts where food has previously been dear, may be mentioned as some of the causes.

Now some of these may be temporary in their effect, but others will be permanent. Of these latter I take an increase of the population as one that may be fairly assumed, and one that will not only act on prices and thereby on rents, but will also act directly on rents by increasing the demand for land. This increased demand will probably be general throughout the provinces, and rents will further be stimulated in this district by extended irrigation. It appears to me a negative answer must be given to the Board's first question.

5. The next point is whether a Permanent Settlement, subject to a rateable increase of revenue in proportion to the increase of prices, is to be recommended.

The difficulty here would be to decide on the staple by which the increase of prices should be tested. I say fairly I could not indicate such a staple. It must of course be the chief staple of the district. If such could be named as would apply to the district generally, there would be the danger of mistaking a temporary rise for a permanent one. It does not follow that we should discover the real profits of the zemindars by such a system, and it would be objectionable as introducing an uncertainty into the settlement which the existing system is free from.

As to temporary settlements, I have no means of knowing what the pressure of the past demand was. As Collector, I should say, it was quite up to the mark when made. It pressed unequally towards its close as might be expected in a district, part of which is well provided with canal-water, and the remainder entirely dependent on the seasons, for wells do not last a reasonable time.

Considering that the generality of our zemindars are really very poor, as any one may see who takes the trouble to walk through the district, I do not think 50 per cent. is too moderate a share of the profits to leave to them, if the real value of the estate is assumed, as I imagine it always is by the Settlement Officer. I suppose he has to estimate what the rental is, and what it might and should be without rack-renting the tenants. If he does this, and levies half of the estimated profits, he does not leave too much, considering the position our landlords are supposed to hold, and the responsibilities we have thrown upon them. As a fact, I know that the rents here may be expected to rise, many of the largest and most intelligent landlords having taken little or no action towards enhancing, though they are beginning to awake to the necessity.

7. As to the operation of the rent law in restricting a full demand, I do not think that such is the case, or at least necessarily the case. I can well understand it might be, but I think that the courts generally uphold a Settlement Officer's arrangements, and that those officers might safely be directed to take up the enhancement of the rents *without* application from the landlord as part of the settlement operations, but a part subject to revision on appeal by the courts.

8. I am quite opposed to the readjustment of the demand during the currency of the settlement. Fix a term and abide by it. If 30 years is too long a term for this country take 20 years, but whatever the term may be, and I think 30 years is a fitting one, revision should not be made within it, more especially should revision not depend on causes, which the great body of the people would certainly not understand.

Memorandum by H. G. KEENE, ESQ., *Officiating Commissioner, Agra, dated 16th April,* 1872.

A PERUSAL of the papers commended to our study in the Board's Circular noted in the margin leaves upon the mind a conviction that a Permanent Settlement of the land revenue is a measure in itself desirable, for which this part of the empire is not yet ripe.

Circular No. T.T.T., dated 27th Septr., 1871.

Mr. Holt Mackenzie's elaborate Memorandum dated 1st July, 1819, shows how earnestly the attention of former administration was applied to this question at a time when official men had less to do and lived more among the Natives than is now the case. It is fortunate, indeed, that the facts then placed on record, or subsequently elicited by enquiries owing their origin to the Regulation (VII. of 1822) passed soon after, led to a postponement of the measure. Lord Hastings and Mr. Mackenzie were right in thinking that permanent engagements should only be extended to those estates that were ripe for it. The enquiries that followed showed that there were at that time no estates in the North-Western Provinces, of which that could be predicated. And the enquiries that have followed upon the similar benevolent attempts of Sir C. Wood and Lord Lawrence have shown that after the lapse of half a century of almost uninterrupted progress, such has continued to be the state of the Provinces down to the present day.

This assertion may be made quite independently of all general opinions deducible from the gradual fall in the purchasing power of money. The very latest papers that have been published by the Government of India conclusively show that the highest living authority on these questions, the consistent advocate of the Permanent Settlement, His Honor the Lieutenant-Governor, North-Western Provinces, is now convinced that neither in Zillah Boolundshuhur, nor perhaps even in Pergunnah Baghput, have the agricultural conditions been reached which would render the measure a matter of justice to the tax-paying community at large.

Under such circumstances, it might be almost superfluous to enter upon the consideration of the special difficulties connected with the monetary aspect of the matter —difficulties to which the undersigned has been drawing attention for the past twelve years. But since the Hon'ble Mr. Strachey has done him the honour to refer to him as an

advocate of the commutation scheme, and as the orders of the Board seem to require some reference to the subject, it is right to place on record the following remarks :—

1*st*,—I have never intended to be an advocate for the immediate introduction of any scheme of commutation of corn-rents; but finding that high authority was in favour of a permanent assessment of the Government demand—being further aware that early Mahomedan rulers had worked such a scheme, and that the late Mr. F. H. Robinson had thought it feasible, I deemed it proper to submit the suggestion that such a scheme offered the only safe prospect of introducing permanency of demand into estates where the assets had in other respects reached their final level. That Mr. Mackenzie also was well aware of the necessity of guarding the public against loss from this source is clear from the 726th para. of his memo. above referred to. In this he distinctly lays down as an essential part of the scheme for a Permanent Settlement that the demand in money shall be open to readjustment every 20 years on an average of the prices current during that period last past of the principal food crops. He had previously stipulated (para. 706) that the jumma should be fixed with reference to the actual assets, without any allowance for progress excepting in special cases. He proposed, it seems clear, to take 75 per cent. of the determinable assets, perhaps leaving the landholder to his own exertions for the increase of his income ; or perhaps thinking that the *real* value of the assets (in such estates) would never greatly alter, though their *nominal* value might fluctuate with the purchasing power of money. This he probably foresaw.

With this preface I proceed to state that in my opinion it is not possible to lay down a standard of average rates below which no Settlement should be confirmed in perpetuity. So many circumstances conducive to the final fixation of rents exist, that it would require either omniscience on an unusual amount of rashness to raise any practical standard. It is clear from the papers appended to Mr. Mackenzie's Memo. that the Native prejudice is in favour of a division of produce rather than a money-rent, and that where money-rents have been introduced, there has been no device, either on the part of tenant or of landlord, to stereotype them by the use of leases. That stateof things continues to this day. The money-rents, where they exist, (1) vary without apparent cause, (2) are often left far below the market-rate from motives of philanthropy or of mere indolence, and (3) are often concealed by collusive entries in the village records. And they are, I think I may say, always below the value of that portion of the crop that would be taken in a division did money-rates not exist. How far the rents are from being, as a rule, rack-rents may be partly inferred from the fact that in one perguunah of the Etawah District, where sub-tenants on the demesne land were paying over six rupees an acre, the normal rent-rate was *less than four*, and even after enhancement of 21 per cent., the ordinary rent-rate was only Rs. 4-12-9. I am therefore decidedly of opinion that rents have not yet reached their natural limits. I think that prices will continue to increase very steadily as the extension of such crops as indigo, opium, cotton displaces food crops, and as the Suez Canal brings British India more and more into the market of the world. Temporary fluctuations may no doubt be expected, a cycle of good seasons may reduce any portion of the present dearth that may be due to scarcity; but it is not to be supposed that the commercial movement now going on will leave the rupee the purchasing power of half a sovereign which it may be said to have just now. The rise that has yet taken place in rents does not fairly represent the fall in the value of money as shown in the prices of produce; but I believe that the former will go on even after the latter shall have ceased to operate. If prices here ever reach a European level (and I see no reason why they should not), rents may be expected to go up to something like fifteen rupees per acre. Nor is this monetary cause the only one as above hinted. I firmly believe that, when once judicious measures are introduced, land will improve, and agriculture be a more lucrative as well as a more scientific profession, until, in fact, a totally new system shall take the place of the present *petite culture*, for which alone the country is fit in the existing conditions of Native society.

N. B.—The figures appended go to show that the rise in prices averages above 60 per cent., and that in rents there has been a rise of about 30 per cent. during the same time (the pendency of settlement).

In support of these views I would refer to the facts and figures recorded by the various District Officers, and to the tables furnished by the Judge's Office. These last-mentioned rates are in one respect especially valuable, as showing not the highest, but rather the lowest level of enhancement. The reason for this is that it is a practice of the courts to throw the *onus probandi* not upon the tenant who seeks to maintain the old rates, but upon the landholder, who has issued a notice that he intends to raise them : so that the issue framed is not—what can the land bear? But, is the enhanced rate of the notice, or any proportion of it, made good by reference to one or two defined conditions?

In conclusion of this part of the subject, I repeat that Permanent Settlement in any form is, in my humble opinion, entirely inexpedient at the present time. And therefore I do not deem it necessary to trouble the Board with any speculations in this connection, relating to a rateable increase following the rise of prices.

As to the 50 per cent. system, I consider it entirely inadequate if put upon the *known and ascertained* assets. I am among the first to recognise the wisdom and benevolence of the statesman to whom we owe the limitation ; but I believe that Mr. Colvin was mainly actuated in making it by a feeling that, in their zeal and ignorance, Settlement Officers were in danger of over-estimating the value of the assets. Whether or no that danger has passed away, your Board is better able to judge than I am ; but I honestly and firmly believe that the circumstances which rendered over-assessment so full of danger fifteen or twenty years ago have not only ceased to exist generally, but that there is not a little opposite danger (in long settlements) of the State (that is, the Public whose steward the State is) losing an undue proportion of the surplus produce of the soil. Whether the share left to proprietors is excessive, is a question the answer to which depends on so many things, that I should hesitate to record a very decisive opinion. But this I will say, that after many years' observation, I do not think Government gets more than one-ninth of the gross produce, on an average. When it is borne in mind that an efficient Native administration supposes itself to get a third, and really gets in all probability not less than a quarter, it must be admitted that there is here something grievously wrong. How difficult it is for the most practised experts to realise the exact statistical conditions of this matter may be inferred from one fact. Mr. Crosthwaite estimates the average income of a cultivator, with rights of occupancy, at Rs. 120 per annum—a very comfortable provision for a man with such few wants and subject to so little taxation. But how much is one's satisfaction at such a state of things diminished when we find that the present distinguished Secretary to the Government of India in the Agricultural Department, Mr. A. O. Hume, C.B., writing of the very same district a very few years ago, estimated the same income at the low average of ten rupees a year. After making all due allowance for the increased amount of specie afloat in the country, this discrepancy is still inexplicable.

I have before referred to the conditions that prevent rent-rates from rising *pari passu* with the rise of prices ; and have at the same time expressed the opinion that the processes, though not uniform, are simultaneous. Another point must not be overlooked. The increase of population raises the demand for land, and through that medium the rates leviable from tenants-at-will. Now these rates, though not applicable for comparison under the working of the present rent law, in enhancement suits, where occupancy tenants are concerned, are still valuable as furnishing a natural standard or market rate, from which to test the renting value of the land. Settlement Officers are bound to give their most careful attention to the due observation and accurate record of these rates : and, if the rent law should be modified, that standard, with due allowance for vested interests, might, and I think should, be practically adopted."

Therefore my answer to the question raised in your para. 4, III, would be that a considerable rise of rent-rates may fairly be assumed as a basis of assessment ; provided always that the law be appropriately modified, what that modification should be I will not pretend to pronounce in detail. But the spirit of the system I contemplate I will endeavour to explain. I must beg leave to premise the following propositions :—

1. Every settlement on modern principles is an endowment in favour of the person or persons settled with. That this was not the original conception of the administrators of these Provinces is clear from Mr. Mackenzie's Memo. and the accompanying papers. Based on the practice of the Native rules whom they succeeded, their theory was that the State was entitled to whole of the net returns from the land, minus a small drawback for expenses of management and collection. The recent idea of permanently conferring upon the malgoozars nearly one-half of the assets, at an imperfect valuation, is as nearly as possible the opposite extreme, and founded, as I believe, upon ideas wholly foreign to the facts of the case and the conditions of the country. It was the late Mr. James Wilson, who, starting with the assumption that what was true in one country was true in all, construed the state of things that he found here into a proof that the landed interest was at least sufficiently burthened, and that all future burthens ought to be laid upon other descriptions of property. But that state of things in reality constituted as above stated not a burthen but an endowment. The object of that endowment, it is true, was both wise and benevolent, as was to be expected from the men—R. Bird and Thomason—with whom it originated. Their notion was that by creating an artificial property in the land in favour of the malgoozars, they would be calling into existence a class whose interest it would be to improve the cultivation. Having their maximum payments defined for thirty years, the ordinary endurance of a generation of men, these persons would enjoy and would bequeath to their successors the right to whatever they could fairly obtain from the soil over and above the revenue of settlement.

2. But the objects of that endowment have very generally disappointed these perfectly fair expectations. The laws of political economy justify the belief that whoever has the means of increasing his resources will do so. But the laws of political economy are not the laws of an exact science; and the habits of the malgoozars are not the habits of men of business so much as of annuitants. They either find their income under the settlement enough, with occasional enhancements from their tenants, and in that case they are satisfied (this is said to be especially the case with the permanently-settled people of the eastern districts), or they mortgage their lands, and gradually alienate them to money-dealers. But they do not, as a rule, improve.

3. The agriculture of India, so long as it is mainly of the *petite culture* kind, does not admit of improvement in the sense in which the word is understood at home.

The only arts, of which such a system of tillage is conscious, are rotation of crops, manuring, and irrigation, and all these are well understood, and capable of application by the actual tillers of the soil, and by them alone. Leaving aside the first art, which is already practised, let us enquire for a moment what are the obstacles that retard the application of the second and third.

4. Manuring, as shown by Mr. Crosthwaite, raises second-class soils to the first class, increasing the productiveness and the renting value of the fields manured. But the people are unable to extend this salutary process, because they are obliged to use their manure as fuel. And they are obliged to use their manure as fuel for want of wood, and they have no wood because the law will not allow them to plant trees.

5. Irrigation is retarded by the same causes. Where canals come, the managers whom we have endowed are backward in making water-courses, so much so that special compulsory legislation is threatened. When there are no canals, the occupants of the soil are often deterred from sinking wells by fear of eviction. The Land Improvement Bill wisely permits public money to be advanced for such purposes, but Section 13 gives the landlord the power of putting a veto upon such advances to cultivators, and I believe the landlords will be very slow to avail themselves of the provisions of the Act themselves.

That some change is desirable by way of legislation is admitted in the Full Bench decision of the High Court (1871, page 267, Sheo Churun Appellant).

6. Lastly, I must repeat the expression of my belief that the occupancy tenants do not pay nearly enough rent; and that as long as they do not, they will not be much

more disposed to lay out money and labour upon improvements than the malgoozars themselves. I have above given instances in which the rents paid by such tenants, after enhancement, were still at least 33 per cent. below the market rate; and have shown that, as the law now stands, they are not likely to approach it any nearer. I believe it will be allowed that 25 per cent. is margin enough for this species of vested interest.

The conclusion from these premises is, that it is to the cultivators rather than to the malgoozars that we must look for the development of the land under the existing agricultural system; and that it is illusory to make anything like a half-asset settlement with proprietors if we desire to make the principal section of the public revenue what it has hitherto been in Eastern countries.

The first thing that seems to follow is that the adjudication of rent suits should be taken out of the jurisdiction of the courts and transferred to the Settlement Officers acting under the usual control of Commissioners and the Board. It seems plain that the courts are not competent to ascertain the true rental value of land, in regard either of their customary procedure or their substantive law. I am unwilling to add to the length of this paper by describing the conduct of an ordinary enhancement suit as known to my judicial experience; the Board, too, must be familiar with many instances where settlement work has been impeded by the action of courts, however legitimate or careful. Settlement Officers, on the other hand, officers be it remembered who are selected for the purposes of classifying soils, estimating assets, and limiting the State's territorial income for long periods; these, if any Europeans can, should be able to say what is the proper rent of this or that field or farm.

In practice many of them do this already; and, instead of assessing on ideal assets, absolutely make the rent-roll what they think it ought to be before defining the claim of Government. But there is a standing caution on this subject which they cannot afford to neglect. I allude to the Board's Circular Order dated 1st July, 1856. In paragraph 8, a picture is drawn of the dangers of collusive reduction of rents, and of malgoozars throwing difficulties in the way of the preparing a correct rent-roll, which no one acquainted with the subject will call overdrawn. It must, however, be added that the Circular shows certain real advantages that would follow if collusion can be prevented between the malgoozar and the tenant; and it is admitted that it is quite possible for a Settlement Officer to fix a fair rental with reference to prescription and qualities of soil, wherever motives to such collusion can be eliminated. And it is in order to provide for this that I have entered so tediously into preliminaries.

What I would propose is that rent-rolls should be prepared by Settlement Officers on the basis of produce, corrected by reference to custom and decrees of court. *Having fixed what is the present money-value of the portion of the produce fairly and equitably exigible from each cultivator, let that money-demand stand fixed for a period of say ten years. The malgoozar would be prevented from wishing to conceal facts, or withhold assistance by the knowledge that the amount of his *malikana* would depend on what was then fixed, and that the opportunity of fair enhancement then allowed to pass would not return. The tenant protected in his improvements would, I believe, generally meet the demand in a spirit of fairness. I appeal to what is going on in Mynpoory and Furruckabad in support of this view; where the tenants in almost every instance have agreed to raise their payments to a level commensurate with the new *jummas*, even without the guarantee against future enhancement which I propose to give them. Where an estate is held entirely by cultivating proprietors, a rent-roll should still be prepared, the only difference being that the *malikana* should be settled on the sharers. What the amount of that *malikana* should be is a question of detail. Our predecessors, as we have seen on their rough estimates, allowed 25 per cent. On a more searching enquiry, and bound as we are by a general declaration as to these Provinces, we should, I suppose, have no option but to leave 40 or 45*. This would, however, not be excessive. I find most experienced persons concur in estimating that a cultivator's profits are double his rent, and equal to his expenses. If this be true,

* After deduction, that is to say of all cesses.

then the fair rent must be a quarter of the actual gross produce, and a half-asset assessment (without cesses) would equal one-eighth. I have already stated my opinion that we do not get now more than a ninth. Applying this to a decennial commutation of the yield to the fisc of an estate held by cultivating proprietors, we should really leave them in as good a position as any class could claim; care being at the same time taken to compare the assessment with the tract-rates for each kind of soil, exactly as if the land were rented.

At the end of ten years a fresh adjustment could be made by Collectors of Districts with a very inexpensive staff. All that would be requisite would be to expose the rent-rates (cash) to a new testing by comparison with prices and other figures of the time, and to apply the corrected rates to new cultivation. By this method the expense and other disadvantages of a recurrence of settlement would be reduced to a minimum, and the best advantages of a permanent settlement secured without that organic convulsion of an old established financial system contemplated by that school which at one time proposed to recoup the admitted sacrifice of revenue from their scheme by "other forms of taxation."

I have endeavoured to be as concise as possible without obscurity. If, in any part of my remarks, I have failed to make myself intelligible, it is not from ignorance of my own meaning, and I would respectfully invite interrogation upon any points of the kind.

The great object that I have had in view is to give us much relief to one class as is consistent with the claims of others. I have formed my opinions, not in the closet but in the field, and in free discussion with persons of experience, as well Natives as Europeans. I may truly add, that I have not met with any serious contradiction from any one with whom I have conversed upon the subject.

P.S.—Since writing the above, I have had the pleasure of reading the *Selections* published by the Board from papers recorded between 1822 and 1833—a publication for which all interested in these questions owe a debt of gratitude. It is a source of great gratification to me to find that my views in general have the support of such an authority as Mr. R. M. Bird. The claim of the cultivator, whether old or recent, to be regarded as the real contracting party, as well as his power of improvement, and his right to share in that improvement, the compatibility of such claims with those of the malgoozar class, the absolute insecurity of any assessments not beginning from the field upwards, and the unsuitableness of judicial interference in agricultural questions—all seem set at rest by Mr. Bird's reasoning in minutes 1 and 5 of this collection.

On one point alone do I find that I have intruded a novelty—*viz*, in the period for which the rents ought to be fixed. I believe that it will be found that the figures appended to this note show a state of things which was not foreseen by the reasoners of those days; I mean the steady fall on the value of money, and the progress, less rapid but not less constant, of rates of rent. It is in view of this unprecedented condition that I have urged cautious measures, especially after the experience that we have lately had of the dangers of direct taxation. But the general principle of assessment proposed so long ago by Mr. Bird (and now as I gather from the preface to the *Selections*, favourably viewed by the Board of Revenue) is not at all affected by the merits of this detail.

It is perhaps proper that I should add an expression of my belief that no great immediate addition to the revenue is to be expected from the adoption of this method of assessment. Fradulent concealments of rentals may be guarded against, but it would not be expedient that the income of any large class of agriculturists should be permanently diminished. Nor should the status of the malgoozars be seriously infringed. It is my belief that the tenants are now in a position to pay a higher rent-rate, and to make due improvements without assistance. But the malgoozar would remain the ultimate stay of agriculture. Besides his manorial rights, his *seer*, his share in the common-land, and his interest in the culturable waste; on him would still devolve the duty of

realising the Government demand and arranging for the maintenance of holdings vacated by death, insolvency, or flight. Abundance of precedents exist to show how such a system would work. All over the Agra District are communities who have bound themselves in the administration papers not to enhance during the pendency of settlement; and there are other examples in the *Shurh-i-nuqdee* tenures of the Upper Doab. The only objections that are known to have arisen in these cases are traceable to the length of time over which their engagements extend, whereby the endowment at the expense of the tax-payer is transferred from the malgoozar to the cultivator. Of course, it is better so. I mean that if any class was to be endowed for thirty years, it is better that it should be the class which has, if not the truest ownership, at least the best means of developing the soil; but in the progress of society thirty years bring too many advantages to be entirely sacrificed. It is sometimes argued that the cultivators have not, after all, so greatly benefited; but they are certainly far better off than they were, and if some of the money they ought to have husbanded has been squandered on faqeers and fireworks, or consumed in usurious transactions with money-dealers, that is still no reason why more public money should be sent in the same direction. It must never be forgotten that, in a country where secondary wants are so slow in making their appearance, a diminished land-revenue means an increase of direct taxation. Where we may not hope for much gain, we may at all events guarantee the tax-payers against future loss.

Appended are the tabular statements above referred to, and some original reports. I also enclose extract from a Note with which I have been favoured by Mr. Evans, Settlement Officer of Furruckabad, who takes, it will be perceived, a view of the subject closely parallel to my own.

I believe that Mr. McConaghey takes almost identical views, though he has not had sufficient leisure to allow of his expressing them in writing. Wherever the Settlement Officers have, even with the difficulties resulting from the present state of the law, succeeded in framing enhanced jummabundees, and making these the basis of assessment, without causing dissatisfication either to tenant or malgoozar, I trust that the Board will agree that this is a valuable experience. It is on this account that Mr. Evans' Note has been so largely drawn on.

Extracts from a Note by Mr. Settlement Officer H. EVANS, *dated Futtehgurh, 28th March, 1872.*

AFTER referring to the Circular of 1856, in which are shown some objections to assessment upon actual rent-rolls to be recorded previous to settlement, the writer proceeds as follows:—

"This however all depends on the supposition that the jummabundee is filed by the zemindars. If it was drawn up by the assessing officer, it would be different. After the pergunnah had been inspected, he could apply his average rates, and from them draw up a jummabundee, and in doing so could make such allowances as he now makes for any peculiarity of the village under consideration. When average rates would require a large and sudden enhancement on the tenants, his jummabundee would, of course, be calculated on slightly lower rates, and when high rates had been paid previously, they would not be lowered without special reason. The zemindars might then be heard, and their objections to the jummabundee taken into consideration, and it might, if necessary, be modified. This would of course involve some change in the law of enhancement; the Settlement Officer must have the authority to assess rentals on the principle of average rates, and to enhance according to the spirit of Act X. of 1859."

Mr. Evans then shows advantages possessed by Settlement Officers in regard to prevalent rates for enhancement, and proceeds,—"Supposing then a jummabundee to be thus drawn up, it remains to decide on the procedure to be followed with regard to mouroosee and non-mouroosee tenants. For the former it is beyond all doubt both just and politic, that they should be granted leases for the term of settlement, that term being

somewhat shortened. Ten or fifteen years would not be too short. Mourpossee tenants, as a rule, think their rents should only be raised at time of settlement, and if raised then, should be maintained till next settlement.

"One of the commonest pleas urged by a tenant to support his claim to a right of occupancy is that he has always paid the same rent, and a zemindar will urge the fact that such and such a one's rent has been repeatedly altered to prove that he is not a mouroosee tenant. I therefore think that the virtue of a right of occupancy should consist rather in the fixity of the rent for the term of settlement, than its lowness as compared with the rents paid by other tenants.

"The case of tenants-at-will appears to me more difficult to deal with."

It is then shown that occupancy rights should be allowed; for—

"If leases are to be given to tenants-at-will, they should be at rates arrived at by agreement between the parties. The rates decided for occupancy tenants would be a test by which the Settlement Officer would detect collusion between the parties, and the zemindar and tenant would be mutually bound by the potta and kabulyut then interchanged. The tenant-at-will having obtained a valuable privilege, *viz.*, right to cultivate for a term of years, would learn to value that privilege, and would be willing to give a full value for it on the termination of the lease.

"Briefly I would propose that right-of-occupancy-tenants be granted leases for the term of settlement at rates now prevalent, those rates being determined by the Settlement Officer on the basis of the average rates of the Pergunnah Circle, the average rates should be based on the rates paid by all tenants, mouroosee and non-mouroosee alike, at the time of settlement not necessarily confined to rents paid by the former only, and that the mouroosee tenants should be entitled to a second lease at rates similarly determined on the close of the present settlement; *2nd*, that leases should be granted to tenants-at-will at rates determined on by agreement between zemindar and tenant; if the tenant demur to the rent demanded, the zemindar should be at liberty to give the lease to any other tenant willing to accept at the terms proposed; that the tenants should have no right of re-entry without consent of the zemindar after lapse of the lease; *3rd*, that the term of settlement should be reduced to ten or fifteen years.

"Under this system the zemindar would have the prospect of raising his income during the term of settlement,—

"(1) By cultivation of waste lands; (2) by raising the rents of such holdings, of which the leaseholders had abandoned their holding or been ejected for non-payment of rent.

"The changes in the income thus arising would be easily ascertained, and the revenue demand modified accordingly at the close of the settlement. The rents of mouroosee tenants still in possession could be modified on a consideration of the change in prices during the period of the settlement then lapsing, and a similar change made in the revenue."

AGRA DIVISION.

I.—Comparative Statement showing the rise in price of the principal Food Grains during the thirty years of the expiring Settlement.

District.	Decade	Wheat	Barley	Chunna.	Jowar.	Bajra.
		Phuppond, Bidhoonah, and Oreyah.	Phuppond, Bidhoonah and Oreyah.	Phuppond, Bidhoonah and Oreyah	Phuppond, Bidhoonah, and Oreyah.	Phuppond.
Etawah	First, ...	33½	1 11 $\frac{5}{10}$	1 5¼	1 13 $\frac{7}{10}$	1 12½
	Second, ...	33½	1 16 $\frac{5}{10}$	1 13½	1 2	1 1½
	Third, ...	21 $\frac{7}{10}$	32½	0 29 $\frac{7}{10}$	0 30½	0 29½

District.	Decade.	Wheat. Tirwah, Kaimgunge, Imrutpore.	Barley. Tirwah, Kaimgunge, Imrutpore.	Chunna.	Jowar. Tirwah, Kaimgunge, Imrutpore.	Bajra.
Furruckabad.	First, ...	26 1/10	35 9/10		31	
	Second, ...	24½	31½		30¾	
	Third, ...	17½	24 5/16		21½	

These two zillahs are the only districts from which information has been received, and I have not liked to delay the report longer. It will be seen that a general increase of a constant character has taken place. The average rate is above 60 per cent., and no great difference appears between the rise in regard to wheat and the rise in regard to the food of the poor.

11.—Instances of enhancement of Rent that have occurred during the last 10 *years.*

District.		Number of Acres affected.	Old Rent-rate.	New Rent-rate.	Rise per cent.	Rate paid by Sub-tenants. Seer.	Rate paid by Sub-tenants. Cultivators.
1.—Etawah, 3 Tehseels.	*First rise by suit—*		Rs. a. p.	Rs. a. p.		Rs. a. p.	Rs. a. p.
	(1) Phuppoond, ...	990	3 11 0	4 12 2	28·8	5 6 11	4 13 6
	(2) Bidhoonah, ...	1,938	3 15 4	4 12 9	21·	6 6 7	5 8 2
	(3) Burthna, ...	587	3 4 8	4 3 7	28·	4 0 9	3 14 9
	Second rise by change—						
	(1) Phuppoond, ...	5,649	3 12 2	4 13 0	28·3	These rates paid by sub-tenants are given to show how far the enhanced rents are from being the rack-rents.	
	(2) Bidhoonah, ...	8,301	3 11 1	5 2 7	39·		
	(3) Burthna, ...	603	3 14 0	4 3 5	8·5		
	Third rise by consent—						
	(1) Phuppoond, ...	19,018	3 14 7	4 8 1	16·1		
	(2) Bidhoonah, ...	17,405	4 6 2	4 15 9	13·		
	(3) Burthna, ...	59,639	2 9 0	3 8 9	36·		
4.—Muttra: 5 Tesseels.	*First Rise by Suit—*	*Beegahs.*	*Per Beegah.*	*Per Beegah.*		From information communicated by Judge's Office, Agra. No. 4 is apparently an exceptional case, the general rise, however, is a little higher than that shown as to Etawah by the records of the Settlement Office.	
	(1) Julleysur, ...	499	2 0 0	2 14 3	44·5		
	(2) Saidabad, ...	205	2 0 0	2 11 7	36·2		
	(3) Mahabun, ...	324	2 2 8	3 0 6	39·9		
	(4) Maat, ...	86	1 6 8	3 0 5	113·4		
	(5) Sudder Tehseel, ...	55	1 10 2	2 0 5	23·9		
5.—Agra: 10 Perguunahs.	*First rise by suit—*	*Beegahs.*	*Per Beegah.*	*Per Beegah.*		From the Judge's Office.	
	(1) Khundowlee, ...	304	1 6 11	1 14 0	30·9		
	(2) Iradutnuggur, ...	568	1 11 9	2 5 9	36·0		
	(3) Pinahut, ...	110	0 10 10	0 15 0	29·2		
	(4) Etmadpore, ...	105	1 4 3	1 7 9	17·3		
	(5) Futtehabad, ...	938	0 15 2	1 2 4	20·9		
	(6) Furrah, ...	150	1 8 3	2 9 8	71·8		
	(7) Futtehpore Seekri, ...	172	1 5 5	1 9 0	16·7		
	(8) Kheyragurh, ...	134	1 12 4	2 1 11	19·7		
	(9) Sudder Tehseel, ...	1,193	2 1 0	2 10 1	27·5		
	(10) Ferozabad, ...	1,112	1 8 4	1 15 4	28·8		

III.—Rise in Rents—Third Decade—1860 *to* 1870.

District.	Percentage of area enhanced.	Rise in rent-rate per cent.
ETAWAH, ...	Pergunnahs, Phuppoond, Bhurtnah, Bidhoonah, 22·64	36 to 39
	2·06	28·
	0·6	21·
	6·8	16·
	5·94	13·
	38·	
FURRUCKABAD, ...	900 Villages in 13 Pergunnahs,...	Average of percentages of the 13 Pergunnahs 14·5.

IV.—*Statistics of the Transfers of Land.*

District.		Area in Acres.	Price per Acre.	Revenue per Acre.	
ETAWAH: 1 PERGUNNAH.	TEHSEEL (PERGUNNAH) BIDHOONAH.		Rs. a. p.	Rs. a. p.	
	1.—*Forced Transfers*—				
	First decade, ...	1,791	3 1 3	1 10 3	
	Second ditto, ...	3,110	2 2 11	1 1 7	
	Third ditto, ...	2,340	3 12 6	1 2 3	
	2.—*Private Sales*—				
	First decade. ...	4,039	2 12 6	1 5·3	
	Second ditto, ...	9,425	5 4 1	1 5 5	
	Third ditto, ...	10,583	7 13 10	1 5 1	This rise is noticeable. *Vide* next statement.
	3.—*Mortgages*—				
	First decade, ...	1,929	1 10 8	1 0 0	
	Second ditto, ...	8,633	2 4 0	1 5 1	
	Third ditto, ...	6,385	4 13 1	1 8 0	Ditto.
FURRUCKABAD.	ELEVEN PERGUNNAHS IN FIVE TEHSEELS.				
	1.—*Forced Transfers*—		Rs. a. p.	Rs. a. p.	
	First decade, ...	47,585	4 2 4	2 11 9	
	Second ditto, ...	8,450	9 12 3	7 6 9	See the statement compiled in Commissioner's Office from the district statement marked IV. pinned thereto.
	Third ditto, ...	11,600	7 10 6	6 0 8	
	2.—*Private Sales*—				
	First decade, ...	33,209	6 11 10	4 1 3	
	Second ditto, ...	18,063	12 1 5	7 12 3	
	Third ditto, ...	22,201	15 0 11	10 11 9	
	3.—*Mortgages*—				
	First decade, ...	9,592	9 13 11	5 4 9	
	Second ditto, ...	14,456	9 6 2	6 2 1	
	Third ditto, ...	26,776	11 11 6	8 10 5	

It is clear that the rise in the revenue does not deter capitalists from investing money in the purchase of land.

Report by A. B. PATTERSON, ESQ., *Settlement Officer, Futtehpore, dated the 4th January,* 1872.

ON the Permanent Settlement question opinions on two points are called for.

I—Whether it might be possible to lay down some standard of average rates below which no settlement shall be confirmed in perpetuity—

I believe that no rates based on anything like present rents could be accepted as the basis of a permanent settlement without very great prospective loss to the State: that even if prices remain stationary, the proportion of produce taken by the landlord as rent will be greatly increased in every district after the completion of settlement. From my own experience and from a careful study of all the recent assessment reports, I have formed the opinion that the standard of rent in every district during the 30 years of settlement was chiefly determined by the severity or lightness of the pressure of the revenue, and to a comparatively small extent by the productive powers of the land.

The "transition" period, the change from a system of rents regulated by custom to a state in which competition comes into play, and the landlord begins to claim in the form of increased rent his share in the increased value of the produce never thoroughly commences until the new revenue has been determined.

It is, of course, easy to see that it would be impossible to settle Pergunnah Baghput permanently at Rs. 2-2-1, while Chuprowlee, Barote, and Kotana, not superior in fertility paid Rs. 3-1-5½, Rs. 2-14-5, and Rs. 2-12-1 respectively, while Eglas, very much inferior in every respect, has been settled at Rs. 2-7-0, and the whole Futtehgurh District, with infinitely less natural advantages, pays Rs. 2-11-6. But none of these rates would form a sound foundation for a permanent settlement, inasmuch as they are based on rents fixed, not on account of the productive powers of the land, nor with reference to any proportion between gross and net produce, nor on any intelligent competition, but simply on custom modified by the pressure of the old revenue. In other words, they do not show what would be the letting value if rents were based on comparative fertility, and on the value of the produce, and on the existing demand for land, while it is on these considerations that rents will be fixed when, after the completion of settlement, the "transition period" is entered on.

Taking the Meerut District as an example, it is evident that Mr. Forbes would not recommend the rates fixed by him in Chuprowlee, Barote, and Kotana for permanence. Rents there were comparatively high as the old revenue rate was high; but it is clear that they were not raised in recent years to any extent on account of the great rise in prices. Mr. Forbes writes:—"We do not find that rents have as a rule changed, no doubt they have risen, but how and when we cannot trace, and all over the country, and especially in this pergunnah we find the low rents of former days, when landlords were glad to entice tenants at almost nominal rents in order to lighten their own burden."

Under such circumstances, it is evident, that the rates fixed in these pergunnahs, high as they appear, could not be accepted as a permanent basis even for their own revenue, much less as standard rates.

Again let us look at Eglas. There I showed that while prices had risen over 50 per cent., and while the selling value of land had almost doubled, the letting value showed only a rise of 19 per cent., and that, too, although the produce had been doubled over 15 per cent. of the cultivated area by irrigation, and the rise was evidently principally owing to this cause which directly increased the produce, and to the necessity of raising rents sufficiently to meet the Government demand. Had the rise been principally on account of the change in prices, it would have been most marked in the last ten years when the great increase in prices took place. But the rise then was comparatively trifling. In my report I pointed out the causes which had kept rents to the customary standard, and gave a number of examples of how little rents were influenced by the productive powers of soils. My revenue was based on the rates paid in villages in which rents appeared to be up to a reasonable standard and on the assumption that by

a process of equalization rents generally would rise after settlement to the extent of 18 per cent. But these rates, although as high as I could possibly go, unless I left the basis of rates actually paid altogether, would not form a fair standard for a permanent settlement.

The demand being now determined, the "transition period" will, I have little doubt, set in, and the proportion between rent and produce will alter as it has so rapidly altered in Boolundshuhur. It is clear that this is the expectation of the men who have recently purchased land in Eglas. The same causes which raise the selling value of land raise also its letting value.

Yet we find that comparing the first and third decades of the Settlement, the average prices of land has almost doubled while the average rent rate increased so little. Clearly the speculators anticipated much higher rents after completion of assessment.*

In Atrowlee the new revenue has been only one year in force, and already I believe the "transition period" has commenced. Rents are now rising with an elasticity which they had never previously shown, and there can be little doubt that within a few years the proportion which the revenue bears to the rent-roll will have considerably changed.

How little the Futtehgurh rate, a very high one, could be accepted as the basis of a permanent settlement, may be shown by the remarks of the Settlement Officer in paragraph 38 of his Chibramow Report. "The art of fixing rent is almost a lost one. No theory of rent whatever seems to exist. The idea of any sharing of the value of the produce between the zemindars and the tenant is utterly strange and unknown. It must have existed once when butai rents were paid, and shortly after commutation, but now it is quite forgotten. If you ask any zemindar the reason why such a field pays such a rent, the most intelligent of them can give no answer, except to say that their ancestors fixed it so. No such idea as that of raising rent because of the rise of prices or of levying a single rate over a *har* even crossed their minds. Our rules tended to increase the belief in the immutability of rents only,—when a cultivator left the village or died without heirs, if any one could be found to pay a little higher a slight increase was demanded. The competition was a very rude one, for the zemindar never really looked about for promising cultivators at any distance and seldom went out of the village. Still so far as rents have altered within, say the last 30 years, they have altered not on any broad theory of rents, nor of the value of the soil, but by a rude competition which often brought out results at utter variance with those which a real valuation of the land would have given."

The average rates used for assessment were based on rents fixed according to this method, with of course a considerable allowance for prospective rise. High as the rate is, it is evident that the rise in the value of agricultural produce has little to do with the present standard of rent, and it may be predicted with confidence that the landlord's share in the value of the produce will largely and speedily increase. Indeed, I am informed that the transition period has already set in, and that rents are now rising with great rapidity. I feel certain that the Settlement Officer would be the last to recommend that his rates should be accepted as a standard even for the assessment of his own district permanently.

With regard to Futtehpore, I have not yet collected sufficient statistics to enable me to give you accurate information with regard to rents, the value of land, and prices. But I may state as the result of my inspection up to this time, that rents have not been much influenced by prices: they have remained almost stationary for many years. The great majority of the tenants are maurusi and improvements have been generally effected

* *Note.*—I add another illustration from the Allygurh District. In his Coel Report, Mr. Smith writes:—"But this rise is produced by correct returns in a small majority of villages only. In 145 villages the declared nikasee for 1275, an exceptionally good year, is not higher than the average for the 10 years before, one of those being a year of famine. The fact is that the nikasees present everywhere instances of first-class villages paying a lower rate of rent than adjoining second-class estates." I contend that when the great majority of villages are avowedly everywhere greatly under-rented, it is improbable that the minority are wholly unaffected by the same tendency. The rents of such estates afford a sound basis for a temporary settlement, inasmuch as they show the highest rate at which land can be valued with reference to present custom. But they afford no index of what will be the ultimate letting value when customary influences lose their present force, and therefore they do not anywhere supply standard rates for a permanent settlement.

by them not by the landlord. Rents are comparatively high, but this was owing to the necessity of a high standard to meet the severity of the last settlement: nearly all the increased profit of the land, within the last 12 years, has been intercepted by the cultivators. But it is unnecessary to consider at present whether any standard rate for a permanent assessment might be fixed for this district as even under the old conditions it would be ineligible. In all probability within a few years the greater part of Futtehpore will be brought under canal-irrigation by the construction of the Lower Ganges Canal which will, I have no doubt, immensely increase its productive power. The new settlement will be completed before the introduction of canal-irrigation, and must therefore be a temporary one.

To sum up, I think, that even if prices remain stationary, in the present economical condition of the country, we cannot find any sound basis for a permanent assessment.

Every practical settlement must be framed with reference to rates which the assessing officer knows can be paid. But the rents from which these rates are deduced are customary rents, modified in each district by varying causes, of which the chief and most constant was the pressure of Government Revenue. But judging from experience, we have every reason to believe that within a few years after settlement rents will be fixed on a different principle; that competition will come into play, and that the landlord will, as in other countries, try to raise rents as high as the existing demand for land will allow him. The Lieutenant-Governor has expressed his opinion that in Boolundshuhur, even now, five years after the completion of settlement, and after full experience of the change which takes place in the value of land after the completion of a settlement, it would be impossible, with justice to the State, to allow a permanent settlement. He wrote:—

"If a new settlement were at the present moment made fully equal to the existing assets, that is, to the rental now collected by the proprietors, in a few years what has occurred would be again repeated. The rental (apart from all expenditure of labour and capital) will have by that time increased largely, and if a permanent settlement were now made, a loss would be sustained of a nature and from causes not contemplated by Government in laying down the principles of a Permanent Settlement."

These remarks would apply in my opinion to any district when once the demand has been fixed. I do not mean that rents would rise with the same extraordinary rapidity as in Boolundshuhur. That settlement was completed while the district was recovering from the effects of the mutiny and the famine, while rents were being changed from kind to cash, at a time when the landowners were just commencing to learn the power of enhancement conferred on them by Act X. of 1859, and, more important than all, at a time when the great revolution in prices caused by the influx of money to pay for the exported cotton was in progress. Such a combination of causes all tending to raise rents had never previously been known, and may never be known again. But I believe that in every district, after the demand has been fixed, a transition period of the same character, but less in degree, will ensue, during which rents will be raised to a standard corresponding with the productive power of the land and the value of the produce, and that, until this period has passed, it is impossible to lay down any standard of rates in accordance with which the land-revenue may be permanently fixed without great prospective loss to the State.

With regard to the prospect of further increase in prices, I thoroughly agree with the views expressed by Mr. Plowden in his recent paper on "Wages and Prices;" that no well founded conclusions can be formed on the subject from the history of prices during twelve years. In a country wholly depended on its own productive power for corn, periods of high or low prices for more than half a century are possible, and have often occurred. Thus, while in England the average price of wheat was £2-1-7½ the quarter for the 50 years ending with 1715, and for the last 25 of these years £2-5-8, from 1715

till 1765 the price was only £1-14-11. These low prices were owing to an unusual number of good harvests. A series of good or bad harvests could not now have such an effect in a country which draws its supplies to a larger extent from abroad, but they might easily have such effects in India.

But I cannot agree with Mr. Plowden in ascribing the great rise in prices during recent years to a succession of bad harvests. I do not agree with his assumption that there have been an unusual number of bad harvests. He assumes that the harvests were bad on account of the high prices; but, if we take the years from 1858-1867 inclusive, I think that, as a matter of fact, the harvests in the greater part of the country were (excluding the famine years of 1860-61) at least average. I can personally state that this was the case in the Meerut Division from 1863 till 1867. And I quote as confirmatory Mr. Forbe's Report, (dated 22nd June, 1868.) He affirms "that bad harvests and reduced areas, under grain cultivation in Meerut and adjacent districts, had nothing to do with the rise in price. Since the famine years of 1860-61 we have had nothing under a full average, and often bumper seasons." No doubt the dearth of 1860-61, by reducing the grain stocks, raised prices in subsequent years. But the rise in price of grain was far higher than could be accounted for by such causes.

We know that prices were everywhere raised for years by the terrible famine of 1837-38, one far exceeding that of 1860-61 in severity.

But, if we find that prices rose to a far greater extent after the milder visitation, it is clear that other causes must have been at work.

In Allygurh wheat sold from 1840 till 1849 at 32 seers 8 chittacks for the rupee; from 1858 till 1867 (excluding the year 1860 and 1861) it sold at 25 seers 1 chittack being dearer in the latter period by 29·6 per cent. And in this comparison it must be noted that all years in the former period follow the famine of 1837-38, while two out of the eight years of the latter period precede the famine of 1860-61, and were unaffected by it. I give only one district as an illustration, but a similar comparison would show similar results anywhere.

Mr. Plowden argues that, if the high price of corn was caused by a general rise in prices, we should find other commodities affected in the same way, and he shows that ghee and oil have not risen in the same proportion. But no conclusions whatever can be drawn as to the causes of the rise in the price of wheat from the examples of ghee and oil.

The former, being one of the necessaries of life, the rise in price cannot be to any extent checked by a falling-off in the demand, whereas, as the price of the latter commodities increase, consumption is diminished, and the rise is arrested. Under no circumstances would ghee and oil rise in price to the same extent as corn. In the case of scarcity of course people would, if necessary, stop the use of the former altogether and pay any price for the latter which would rise to a far greater extent.

In the case of a fall in the value of money, the vast body who live on fixed incomes, and whose means are seriously diminished, reduce their consumption of commodities not absolutely necessary, and thus by a falling-off in demand, the price is kept down.

I think that far more accurate conclusions may be drawn as to the causes of the rise in prices from the statistics on wages furnished by Mr. Plowden. All over the province there has been a considerable rise in the money wages of labour. But (omitting a district like Meerut, where from exceptional causes corn wages are also higher) wages in kind have not increased: (See the interesting reports from Mynpoorie and Etah written by Messrs. B. W. Colvin and C. H. Crosthwaite.) How can this be accounted for? Not certainly by a rise in price caused by scarcity. Such a rise would not of course affect wages or rather, as is well known, would tend to lower them, as the competition for employment would tend to lower the remuneration. But when rise in price is caused by a fall in the value of money, wages do adjust themselves to the changed standard,

otherwise it is clear that the value of labour, as compared with that of other commodities, would have fallen. It would seem to me clear that the proper deduction from these statistics is that the (money) price of labour like that of all other commodities has risen on account of a fall in the value of money.

I cannot doubt that the great rise in price has been caused chiefly by the enormous imports of silver in recent years.

Since the mutiny a vast export trade has been developed without any corresponding increase in imports, thus payment for exports has been made chiefly in silver. No doubt this influx has been abnormal, as India exported far beyond her ordinary capabilities during the American War. I do not therefore anticipate that prices will continue to rise as during the last twelve years. But I do not think that there will be any permanent check. As the country is more and more opened up by railways, the export-trade will increase, and till the habits and wants of the people change very much, the return must be made chiefly in silver.

No doubt the quantity of produce will also increase as larger areas are preserved from drought by canals. But prices cannot fall below a certain point on this account, the fall would, at the present day, be checked by the export of grain. There can be no doubt, too, that every year as the province advances in civilization and prosperity, a large amount of money circulates in proportion to the amount hoarded.

This constant increase in circulation will constantly tend to raise prices.

On the whole, therefore, I think that while possibly for a few years prices may be stationary, yet the tendency to rise is a constant one, although it is improbable that we may ever again experience a change so sudden and violent as that between 1858 and 1870.

II.—The next point, on which opinions are called for, is on the expediency of a permanent settlement, based on adequate rates, but subject to an increase in proportion to the increase of prices—

I am opposed to such an assessment.

(1) I think it would press most unequally in different districts; it would often happen that the State would receive too little in districts where low prices were caused by a succession of abundant harvests, where in fact cheapness was caused by plenty, and that it would take too much in districts where high prices were caused by bad harvests, where dearness was caused by scarcity. And whether high price was caused by scarcity, when they indicate a depressed state or by an influx of money into the district being thus an index of general prosperity, in either case the burden would be equally increased. Take as examples Meerut and Ghazeepore.

The former, protected as it is from drought by canals has had for the last 12 years a season of brilliant prosperity. Mr. Forbes points out that prices then rose on account of "the extension of the E. I. Railway, and on account of the bad harvests followed by scarcity of the food grains and extraordinary high prices in the *Benares Division*, and by the famine in Orissa, which drew away our wheat treasures." Meerut produced enough for its own consumption and exported largely, and yet such was the plenty that during the 10 years, from 1859 to 1868, the average price of wheat was 22 seers 11 chittacks for the rupee, the highest was 32-5 and the lowest was 14-2. Ghazeepore was one of the unfortunate districts affected by bad harvests, where demand raised prices in Meerut; there the average rate was 15 seers 8 chittacks for the rupee, the highest 22-8, the lowest 11-6. Under the proposed system, if both districts were under revision on account of rise in price, the depressed Ghazeepore would have to bear a heavier increase than the prosperous Meerut.

(2) A rigid rule which, assuming that rents rose equally with prices, would eventually force them to do so, would ruin large numbers of cultivators. We all know that rents follow prices with a considerable interval. A solvent and prosperous tenant could

of course pay more at once; but the majority of our cultivators live from hand to mouth, and the necessity of paying more for their food, cattle, wages, &c., for some time, counterbalances the increased profit. The greater numbers have actually to buy their seed corn so that in so far the price is against them, and they are forced to sell their produce when at the lowest value so that a large part of the increased profit is reaped by the bunnea. Mr. Wynne, in the article in the *Calcutta Review* quoted in Mr. Strachey's Minute, writes :—"An idea of what this progressive increase would be, may be gathered by supposing that it had been possible to arrange the now expiring settlement of the North-Western Provinces on this basis. Prices have since that time risen in some places 75 per cent., in few places less than 25 per cent. This increase would now be coming into the profits of the treasury without any of the expense of a re-settlement." As a matter of fact, even the fairest of the old settlements could not be revised on this principle without ruin to proprietors and tenants.

(3) Unless the revenue was annually commuted, which none would propose, it would always be fixed on the basis of the prices of a past period for a future period, which might be of a totally different economical character, supposing the system had been in force since 1840, and that there had been ten yearly commutations. From 1840 to 1850 prices were high, and at the revision the revenue would have been raised, and this demand would have been paid during the next 10 years when prices were low. In 1860 the revenue would have been lowered, and, during the following 10 years of high prices, it would have been based on the previous period of low prices.

(4) The case of Scotland, in which corn-rents are frequently paid, is not analogous to that of India. In the United Kingdom harvests are not exposed to the same disastrous vicissitudes of seasons as here, and high prices are generally favourable to the farmer: a moderate decrease in quantity is more than made up for by the increased value of the remainder. Besides, the cause of the steady increase in price of corn is then beyond all question, the steady increase in demand always keeping ahead of the supply—a cause affecting agricultural produce specially while the general tendency to a rise in prices affects it in common with other commodities.

Thus, in England high prices almost invariably are a sign of agricultural prosperity; here they are frequently a sign of enormously diminished produce and of great agricultural depression.

I hope that no change may be made in the present system of moderate temporary assessments—a system which is economically sound, which preserves to the State the elasticity of its most legitimate and only certain income, and which, because it does not perpetuate the errors of judgment, committed by every Settlement Officer, and because it is influenced by other than arithmetical considerations, is more favourable than any permanent settlement to the most valuable portion of the owners and cultivators of the soil.

Under this head, I venture to suggest that, as a measure of the increased profits of land-owners, the average selling price of land would be free from the objections which I think apply to the use of average corn prices for this purpose.

Except under peculiar circumstances, the price of land must always be determined with reference to its profits, and the ratio between price and profits will be pretty constant. In fact, this principle was applied with success as a means of checking his rates by Mr. McConaghey, in Mynpoory, and afterwards by Mr. Smith in his assessment of Coel. If all estates were now carefully valued, and if the revenue now fixed could only be raised after a fixed period, with reference to the increased market-value of the land (it being of course open to the proprietor to show that this increased value was in whole a part caused by expenditure of his capital), I think that there would be no risk of unequal pressure, and that the State would secure its due share of the increase of rent, "owing solely to the general circumstances of society," as distinguished from that which was the "effect of skill and expenditure on the part of the proprietor."

In supporting this view, I may quote the authority of Mr. Mill. While discussing the possibility of the State, even in western countries, recovering a share in the profits of the land, he suggests that it should take a part of all future "spontaneous increase" in rental. The first step should be a valuation of all the land in the country. The present value of all land should be exempt from the tax, but after an interval had elapsed, during which society had increased in population and capital, a rough estimate might be made of the spontaneous increase which had accrued to rent since the valuation was made. Of this, the average price of produce would be some criterion. With reference to such a tax, perhaps a safer criterion than either a rise in rents or a rise in the price of corn would be a general rise in the price of land. It would be easy to keep the tax within the amount which would reduce the market-value of land below the original valuation, and up to that point, whatever the amount of the tax might be, no injustice would be done to the proprietors.

I think that in this country the price of land would present even greater advantages as a criterion, as the high price of corn may be a sign not of "spontaneous increase" in the profits of land but of scarcity and agricultural depression.*

(3) In regard to the present system of temporary settlement the Board enquire:—

I.—Whether the present standard of assessment at 50 per cent. is inadequate, and whether the share of rental assets at present left to proprietors is excessive—

I think that the present standard is as much as can be borne if it is intended that a prosperous class is to stand between us and the actual cultivators—a class on whom we can rely to make the primary collections, out of which the State demand is satisfied, and to pay in that demand in good and bad seasons, and to do this without the necessity of rack-renting.

It must be remembered that 50 per cent. of the assets means 50 per cent. of what the Settlement Officer thinks the rent-roll would be if the estate were properly managed and if rents were raised to the proper standard.

The assessment is not merely the division of a rent-roll between two sharers, it is rather a valuation by one of the sharers who throws all the trouble and responsibility of carrying his valuation into effect on the other. No Settlement Officer now attaches much importance to actual rentals; his valuation is, I need not say, based on his estimate of the *capabilities* of the soil, and of the various natural and artificial advantages, and on his generalizations from what he considers fair standard rates.

I think it would be unsafe to take more than 50 per cent. of a rent-roll formed on such principles. Moreover, it must be remembered that there are other special burdens on land, and all increasing with the revenue. The various cesses bring up the demand to 55 per cent. of the estimated rent-roll, and there is a further payment for lumbardars, appointed solely in the interest of Government, and for the accountant, who is also kept up principally for public reasons.

I think it may be stated with confidence that every settlement *really* based on 66 per cent. of the assets, and in which there was no reserve of waste land, by cultivation of which the proportion might be altered, either broke down utterly and had to be revised, or else ruined the majority of the landowners who had to pay it. In Futtehpore, even at last settlement a popular and highly cultivated district, the assessment, after causing numerous transfers and sales and farms for arrears, had to be revised within four years of its completion, and the demand was reduced by Mr. John Thornton. I cannot as yet give you statistics of the working of the settlement since revision, such information is here only to be collected very slowly, as all records of every kind were destroyed during the mutiny. And I regret very much that my papers are not in a sufficiently advanced state to enable me to give you illustrations of the average incidence of

* It will be understood that I do not recommend a permanent settlement at present under any form. I merely suggest that should it be decided to carry out the measure with a provision for re-adjustment as rent increases, I think the average price of land affords a sounder index to its profits than the average price of grain.

the present demand on the several classes of proprietors. I can adduce the instance of Eglas in Allygurh District in support of my opinion. This tehsil was assessed by me, and the rent-rate report was submitted to you as Commissioner of Meerut, so that I hope you will not object to the illustration.

Eglas, at last settlement, had almost reached the limit of cultivation. There has only been an addition of 3 per cent. to the cultivated area since then, and there is now hardly any margin of really cultivable land. The proprietors and cultivators were generally Jats, among the most industrious of the agricultural classes, and strongly attached to their land, to which they hold on as long as possible. Yet, during the term of settlement, 52 *per cent.* of their cultivated land passed out of their hands, and of this 18 per cent. had to be sold and farmed for arrears of revenue. Such was the pressure, too, of the revenue, that the land was almost valueless, selling for only 2½ years' purchase of revenue. Fortunately the rise in the value of produce came in to save a remnant of the old proprietors, and to give prosperity to the new by reducing the proportion of the Government demand to the rental. Yet, such was the embarrassment produced by the severity of the assessment during the first 20 years, that even in the third decade the transfers were very numerous. This I explained as follows :—"I think it is clear from these figures that at first the assessment pressed so heavily as to render land of little value as it was only worth 2½ years' purchase of the jumma in Hussungurh and 2$\frac{1}{5}$th years' purchase in Gorie, and that, as the price of agricultural produce rose, land gradually became a valuable property. Yet the number of transfers did not decrease. This was evidently owing to the gradual ruin of the old proprietors, who managed to hold on for a long time, getting deeper and deeper into debt, and were at last sold out before they could take advantage of the rise in prices. Their successors were men free from embarrassments, who invested their money in a kind of property which was constantly rising in value. The average price per acre has increased by 90 per cent. in Hussungurh and by 65 per cent. in Gorie during the 30 years of the last settlement. This is a proof that the assessment has now ceased to press heavily on the land."

Hatrass and Khyr furnish even more striking results of the effects of a settlement at 66 per cent. when there was no margin of cultivable land available to reduce it. But these effects on the Allygurh District will of course be fully illustrated by the Settlement Officer.

On this point I need say nothing further except to express my opinion that, the reserve wastes being now almost exhausted, a 50 per cent. assessment is as high as can be borne, unless it can be predicted, with certainty, that the rise in the value of produce will be in future as great and as continuous as during the last 12 years.

So much for the capability of the land. But I must further express my opinion that the Government share of the rental could not be increased without a virtual breach of faith, which would have a most injurious effect on our reputation.

It was on account of the confidence of the people that the present standard would remain unchanged that land has become a valuable property in the Province. Without this confidence, the increased value of the produce would never have had this effect. No greater confidence was ever shown in a Government than by those who paid as high as *£3 per acre for land which was liable in a few years to an assessment which, at the discretion of the Government, might be raised to such an extent as to render it valueless, any change in the standard would be unfair to the men who had invested money relying on its continuance; it would be unfair to all whose means would be unexpectedly reduced, and, by destroying confidence, it would reduce the value of land even out of proportion to the diminution of its profits.

I am also asked to express my opinion on the expediency of a differential standard, in accordance with which a larger proportion of the rental should be taken from large than from small proprietors. This would present all the disadvantages which I have shown would attend a general change of standard, aggravated by the discontent of influen-

* In Futtehgurh.

tial men, who would believe that they were treated with exceptional injustice. Furthermore, it would be an economical blunder—all differential taxation is a mistake. I confess I cannot see a single argument in favour of this measure which would not justify a graduated income-tax—a measure which all economists have condemned. It may, of course, be argued that the land-revenue is not a tax but a rent, and that the British Government, as landlord, inherits all the powers of its predecessors, and can fix on each of its tenants whatever rent it thinks proper without any regard to the principles which govern taxation proper. To which it may be replied that we have transformed the land-revenue from a varying rent to a tax on rent, based on settled principles; and that, in fixing this tax, as well as all others, regard should be paid to the cardinal principles of equality, which requires that men "should contribute in proportion to the revenue which they respectively enjoy under the protection of the State."

I may add that the practical objection adduced by the Lieutenant-Governor would alone be sufficient to condemn such a scheme. He shows "that such estates are liable to disintegration, and that the settlement must be so framed that their component parts, if held separately, shall stand and prosper under the quota of revenue for which they are responsible." And it must be remembered that the constant tendency of such estates is towards sub-division, and that, even when not formally divided, the number of people depending for support on the profits must be always increasing in a country where the field for employment of the younger sons of landed proprietors is so limited.

II.—On the operation of the Rent Laws—

My only experience in enhancement has been in Allygurh, and there the decisions of the Settlement Officers were always upheld eventually by the Civil Courts. But I think that our success was exceptional, and that so uncertain is the working of Section 17 of Act X. of 1859, that a Judge with a theory might, with perfect legality, overturn all a Settlement Officer's decisions.

The present state of the law is eminently unsatisfactory. Practically, the only reasons for which enhancement can be decreed are, because the productive powers of the land have been increased, or because tenants of the same class in the vicinity pay more. But frequently the productive powers have not been increased, although the value of the produce has doubled, and there may be no tenants of the same class who pay higher rates. In that case the occupancy-tenants are, as the Lieutenant-Governor said, "a law for themselves," and a fair enhancement cannot be decreed.

The remedy is to return to the system in force before Act X. was passed; when it was recognized that the payments of all classes connected with the land were liable to revision at time of settlement, and when, under the provisions of Regulation VII. of 1822. the Settlement Officer was empowered to fix, not only the revenue but also the rents on which it was based. What can be more unreasonable than the fact that the Rent Enhancement Law does not allow what ought to be the most important cause of enhancement—namely, that the public demand on the land has been increased? An Executive Officer now fixes the revenue on one set of principles and a Judical Officer fixes the rent-roll, on the payment of which the revenue depends, on another set of principles. I would be the last to injure the occupancy-tenants, and, indeed, would be glad if the *status* of the mere tenants-at-will was abolished, but I cannot think the right of the former more sacred than that of the proprietors. And yet the demand on the latter is fixed by the executive power, while even at time of settlement the position of the former can only be modified by the Civil Courts. I do not think this change was contemplated by the framer of Act X. And it will be remembered that some time ago a Settlement Officer recorded his opinion that the provisions of Act X. did not affect those of Regulation VII., and tried to frame his rent-rolls without reference to the former enactment, and in accordance with the procedure of the latter. But the High Court unfortunately ruled against him, and decided that the rents of maurusi tenants could only be raised for the reasons, and by the procedure specified in Act X. of 1859 and Act XIV. of 1863.

All that would be necessary, in my opinion, would be a Section added to Act X., stating that "nothing in this Act shall interfere with the powers vested in a Collector under Regulation VII. of 1822 at time of revision of settlement."

I do not think that such a change would increase the danger of over-assessment. The Settlement Officer would be obliged to raise rents to meet his assessments; it would be open to any maurusi tenant to show that he was entitled to hold at lower than double the revenue rate. In other words that he was entitled to a certain share in the profits. Appeals from the tenants would lie to the superior Revenue authorities; and the success of the settlement would be judged to a great extent by the prosperity of the cultivators and the absence or prevalence of rack-renting.

With reference to paragraph 19 of the Government letter, I am of opinion that where maurusi tenants are really entitled to hold at rates lower than double revenue rates, the proprietor should yet be assessed as if he were receiving full market rates. I consider the State right to one-half of the net profits sacred, no matter what parties may share in the remainder. We ought to recognize that no one party may possess all the right which go to make up property in the English sense, and when the occupancy-tenant is clearly entitled to intercept a portion of the net profits, we ought to follow the same course as in the case of talookas, in which sub-proprietary rights have been recognized when only 50 per cent. is allowed to meet the requirements of both classes of proprietors. The proprietor who, by law and custom, is not entitled to the full profits of an estate, can hardly complain if the State refuse to reduce its claim in order to equalize his position with that of the proprietor whose rights are unrestricted. Practically, Settlement Officers act on this principle to a great extent, and do not by any means look on it as essential, that in every case the landlord should be able to collect Rs. 2 for every rupee paid to the State. Still, I think it would be well if the Board of Revenue were to issue explicit instructions on the subject.

III.—The extent to which, on theoretical grounds, in view of a settlement for a term of years enhancement of rent-rate beyond the prevailing standard is or may be safely assumed as a basis of assessment—

I think that Settlement Officers already go as far in this direction as is compatible with safety. The Settlement Officer should not assume standard rates much in advance of those actually paid in a number of cases, and which, he feels certain, may be imposed without rack-renting on average lands of the same quality. His revenue should lead to a "levelling up" to a standard based on rents paid in estates in which the ordinary motives causing under-renting are absent; his estimate of the rise in the value of land should, to use Mr. Crosthwaite's expression, be based on the "transactions," and on the assumption that all rents after settlement will rise to the standard of market-value.

In this way the Settlement Officer's rates are based on rents which he has actually seen in operation, and the superior Revenue authorities can easily form an opinion on the judgment which he has displayed in his generalizations. I would allow him the widest latitude in comparing tracts of similar fertility, and the Commissioner and Board being, from their position, able to form a wider induction, can of course test his rates by comparison with those paid in districts with similar advantages. But it would, I think, be unsafe to assume, on purely theoretical grounds, a rise much beyond any rates actually paid. Such would be not a half-asset assessment, but one which, if the Settlement Officer's view turned out to be well-founded, might become a half-asset assessment. We are not justified in taking action, in a matter so important, on the theoretical assumption of any man. I have already expressed a strong opinion that in Eglas rents will, in a few years, rise much beyond the standard on which I assessed, and that consequently a permanent settlement based on such rates would be a mistake. But I do not think that it would be justifiable, relying on this expected rise, to "take for an indefinite term of years a larger than usual share of the existing rental assets."

The fallibility of all such views is apparent to every one who reads the discussions on Permanent Settlement during 1861-62. It was then the almost universal opinion of

Indian Statesmen that no considerable rise in prices or rents was to be expected. Is it not possible that the anticipations of the best Settlement Officers, with regard to the economic future of their districts, may be as little justified by the event?

IV.—On the expediency of leaving the assessments open to enhancement or readjustment during a term of temporary settlement, in consequence of the diminished value of the precious metals or other causes—

I have already expressed my disapproval of a grain basis for a permanent settlement, and the same reasons apply with greater force to a temporary settlement. The essential point in the present system of long leases is the confidence felt by the agricultural classes that for a generation their position is secure. The policy has been successful, and has conferred on the country a hitherto unknown degree of prosperity. I deprecate the imposition of any additional demand during the term of settlement on account of any cause which does not directly increase the produce.

No zemindar would look on it as an injustice to be obliged to pay more if a canal, constructed at the cost of the State, increased his rental by increasing produce and lowering the cost of production. But, if his revenue was liable to increase, because by the construction of a new road, or the extension of a line of railway, or the opening of a new market, the value of the produce was increased, I feel certain that, however just the cause of increase might be, it would have the effect of destroying all confidence in the stability of his lease. English landlords have, in the interests of their estates, universally adopted the system of granting long fixed leases to their tenants.

Lord Stanley stated recently as an axiom that it was a system equally essential to the interest of both parties and to the proper development of agriculture. English farmers are more enlightened than Indian zemindars, but I do not think they would accept as a safe lease in reliance on which capital might be expended, one liable to revision on account of such causes.

With regard to increase on account of extension of canal irrigation, the case is different. Their produce and rent are directly increased at the expense of the State, and the chances of bad seasons, always taken into account in fixing the demand for a term of years, reduced to a minimum, so that, as in the case of Meerut, a year of drought is a year of profit.

In order to secure to the State a share of the increased rental caused by its expenditure, I would introduce in temporary settlements the system first advocated by Mr. Crosthwaite in the case of permanent settlement, and recommended for adoption by the Lieutenant-Governor, then Senior Member of Board of Revenue, in his Minute dated 10th May, 1865.

The proposal was to fix a rate representing the additional profit accruing to the landlord from canal-irrigation, and to apply this rate at stated intervals to the additional area brought under irrigation. Mr. Crosthwaite showed clearly that it was impossible to reach the landlord's profits through the ordinary water-rate.

Under the proposed system, the cultivator would buy water from the canal, his payment being represented by the ordinary water-rate, either because he could irrigate land previously dry, or, because the cost of canal-irrigation is so much less than that of well-irrigation. His profits would consequently increase, and a considerable part of this increase would go to the landlord as rent. The application of the "additional acreage rate" would secure to the State its share of this increase. During the discussions in 1865, it was only proposed to extend this rate to lands previously dry, not to make any addition to the rate paid by fields irrigated previously from wells, because the "rental of such fields is not materially altered by the change." But, in my opinion, this is owing to the conservative influence which keeps down rents of all kind in this country. Even, under the most expensive system of canal-irrigation, the cost of production is very much less than in the case of well-irrigation, and consequently higher rents could be paid.

This is fully admitted in Secundra Rao, the most highly irrigated part of Allygurh. There, the influence of canals has raised rents enormously. I should say, that more enhancement suits have been brought before the Settlement Courts there than in all the remainder of the district. I decided a very large number of cases, and I can state with confidence, that almost uniformly the rent of canal-irrigated land is higher than that of well-irrigated land. Enhancement suits were constantly filed regarding holdings on account of the increase of productive power caused by the substitution of canal for well-water.

Secundra Rao has not yet been assessed nor its statistics prepared, but when Mr. Smith sends in his report, it will be clearly shown to what an extent rents have been increased, not only by the extension of canal-water to dry lands, but by the change from the one system of irrigation to the other.

I would, therefore, in the interest of the State, advocate the imposition during the term of settlement, on estates to which canal-irrigation was extended, not only of a rate representing the additional profit of wet as opposite to dry land, but also of a rate representing the difference of profit between well-irrigated and canal-irrigated land. The extent of advantage possessed by the latter would depend on the special character of the well-irrigation in each tract.

Speaking of that tract in regard to which I have practical experience, I have no doubt that in Secundra Rao, rates, representing the increased rent-rate in both cases, could be so framed as to be capable of extension to lands hereafter irrigated by the canal, with profit to the State, and without any injustice or oppression towards the proprietors.

4. To conclude, I may state that most of the deductions which I have made have been drawn from my experience in Allygurh. Had it been possible, I would have given you more information with regard to Futtehpore; but statistics have not been completely collected for even one pergunnah, nor has my inspection been yet so extended as to enable me to express opinions based on a sufficiently wide induction of facts. And I have the less hesitation in addressing to you arguments drawn from my experience as an assessing officer in Allygurh, because it was to you, as Commissioner of the Meerut Division, that my report on the assessment of Eglas was submitted. The Board, too, have not restricted officers to the discussion merely of matter affecting the districts in which they are at present employed, but have invited "the greatest freedom of suggestion" in this report. I venture to hope, therefore, that you will not disapprove of the course which I have adopted in discussing this important subject.

Report by C. W. CARPENTER, ESQ., *Settlement Officer, Allahabad, dated the 22nd February*, 1872.

I TAKE the various points in the order prescribed by the circular.

Permanent Settlement, Question I. *Is it possible to lay down some standard of average rates below which no Settlement shall be confirmed in perpetuity?*

In my opinion it is not possible. The average rent-rate payable in any tract or district depends on a variety of circumstances, such as fertility of soil, average rain-fall, facility for irrigation, thickness of population, character and caste of the cultivators. It does not seem likely that the rate of rent will ever become level all over the province. Even in England at the present day the rate of rent and of agricultural wages varies, sometimes unaccountably, from county to county, and it is much less extraordinary that it should vary here from district to district. The amount of the rate paid in any tract is not necessarily a criterion of its adequacy. I do not see, then, how any standard of rates could be used effectively. Suppose that a rate of Rs. 5 per acre were taken as the minimum rate qualifying a tract for permanent settlement. It would follow that a tract, with an average rate of Rs. 5-8-0, would be *primâ facie* qualified. Yet, it is possible that in such a tract there should actually be more room for a rise in rent than in another where the rate is only Rs. 4-8-0. I think then that the adequacy of the existing rent-

rates in any tract, supposing the tract to be on other grounds qualified for a permanent settlement, must be investigated independently. The inspection of the tract, and comparison of it with neighbouring tracts, can seldom leave much doubt on the mind of the inspecting officer. Rents cannot be generally inadequate in any tract without displaying unmistakeable signs of their inadequacy. Inadequacy of rent simply means an unusual share of profit to the cultivators. When the cultivators absorb unusual profits, the results are to be plainly seen in the homesteads. The houses are in good repair, the roofs are well-thatched or tiled, the men are well clad, the cattle look sleek, and children swarm. Where these signs are to be found, it is to be presumed that there is room for enhancement of rent. Where signs the reverse of these are to be found, it is hardly to be believed, even on the strength of apparently convincing comparisons upon paper, that rents can be really inadequate.

3. Coming now to the question how far the Allahabad District has entered upon or passed through the transition state, through which other districts are passing, I can only give a qualified answer. There is no need, I think, to suppose that all districts must pass through the same sort of transition. The cases of Baghput and Boolundshuhur seem to be exceptional. It is evident that rents may be found to be inadequate in any district from two causes, (1) because they were originally inadequate at the time of the thirty years' settlement, or have since become so through direct improvement of the land, and have never been raised; or (2) because, although originally adequate, they have now become inadequate through the rise in prices. Baghput certainly, and Boolundshuhur almost certainly, belong to the first class. Rents had always been low, and when the rise took place it was large and rapid. In districts or tracts similarly situated, a similar transition is doubtless to be expected when the revision of settlement is completed. The transition state, on the other hand, through which rents must pass on account of the rise in prices, is common to all districts, but the rise in rents due to this cause only is comparatively small and slow.

4. The Allahabad District is composed of three tracts of very different character. There is, first, the Doab tract. In parts of this tract rents have become inadequate of late years owing to the great increase in the value of land caused by the construction of the railway, and by competition in the neighbourhood of a large city. But it is unnecessary to discuss the question of this inadequacy, because the prospect of the immediate construction of the Lower Ganges Canal, one branch of which will run through the whole length of this tract, removes it from the category of tracts qualified for a Permanent Settlement. There is, secondly, the Trans-Jumna tract. This contains three pergunnahs, of which two—*viz.*, Khyragurh and Barah—are in a backward condition, and certainly unfit for settlement in perpetuity. The remaining Pergunnah, Arail, is now pretty closely cultivated, but owing to its isolated position, bounded on three sides by the Ganges, the Jumna, and the Tonse nuddee, and on the fourth side by the inhospitable pergunnah of Barah, it is not in an advanced stage of civilization, and contains no large traders, or markets of any importance. The existing rent-rates are, I believe, on the whole not inadequate, and so far the pergunnah is not disqualified for permanent settlement; but there is little doubt that its condition will much improve during the next thirty years by being brought into closer communication with Allahabad; and as trade developes, rents will probably rise. It seems, therefore, premature to give this pergunnah a Settlement in perpetuity. There remains, thirdly, the Trans-Gangetic tract. Here, population is extremely thick, averaging over 600 to the square mile, the soil is fertile, and the culturable land fully cultivated; well-irrigation is plentiful, and the cultivators are generally of industrious and submissive classes. Rents range accordingly very high, as high as anywhere in the North-Western Provinces, and are for the most part kept well up to the mark—no unusual profits being allowed to the cultivators. Nevertheless, I do not recommend a permanent settlement even for this tract. The tract is undoubtedly improvable. It contains little trade at present, and suffers by being separated from the city of Allahabad by the Ganges, which is unbridged for nearly five months in the year. The opening of the Oudh and Rohilkhund Railway will probably do something

to improve its trade. There is great room for improvement also in the drainage of the northern part of this tract, in common with the adjoining parts of Pertabgurh and Jounpoor. In these parts there are many huge jheels or lakes, surrounded by plains or patches of "oosur." In years of heavy rain, like the last two years, the lands about these jheels become water-logged. An efficient system of drainage would relieve large tracts from the danger of flooding, and would probably enable the people to bring under the plough much land at present useless. But such a system could never be effected by the people themselves. It would have to be effected by the Government, and if a permanent settlement were now granted, the Government would lose the benefit of the improvements it would make at its own expense.

Permanent Settlement, Question II.

5. I come now to the question of the expediency of a Permanent Settlement based on adequate rates of rent, but subject to a rateable increase of revenue in proportion to the increase of prices. Before entering on it, I wish to say a few words as to the expediency of a permanent settlement at all. The chief ground on which a permanent settlement has always been advocated is that it will induce the people to improve their estates by giving them a security that their improvements will not be taxed; and it is inferred that the people will necessarily see the value of such a settlement. This argument is good in theory, but I doubt if it has much foundation in fact. So far as my experience goes, the people are altogether indifferent about a permanent settlement. I cannot remember more than two or three occasions on which any question has been put to me on the subject. In no instance have I seen anything like anxiety to obtain such a settlement. The fact is, that to the ordinary native of this country thirty years seems an infinity of time. The one thought in the mind of the landowners at a revison of settlement is to get a moderate assessment for themselves. Doubtless, if a man has got a light assessment, and is asked whether he would like it temporary or permanent, he will say permanent, but he will not forego any advantage now for the sake of pemanency in future. Mr. Egerton, the Finance Commissioner in the Punjab, says of the landowners of that province:—"I think that if they were offered the choice of a settlement for 30 years at half assets, or a permanent settlement at 60 or 66 per cent. of the assets, they would to a man refuse the permanent settlement." I believe that the case is even stronger than this. I think that the people here would, almost to a man, refuse permanent settlement even at 55 per cent. of the assets. And no one can say that they are not wise in their generation.

Then, as to improvements. My experience is that the mass of the landowners do not concern themselves at all about the improvement of their estates. It is not that they are deterred by any thought of their improvements being taxed. The idea of improvement, in the proper sense of the term, never enters their minds. Doubtless, a landowner who has got an estate which is wholly or partially untilled for want of cultivators, will go to some expense in locating them, and will perhaps sink a well for drinking purposes. But we are not concerned here with the case of a backward estate of this kind. Real improvements, in the way of wells, tanks, systems of drainage, &c., are hardly ever made by non-resident landlords. Cultivating proprietors do of course make such improvements, but then they generally make them for the benefit of their own fields, and would equally make them whether the settlement were temporary or permanent. I have never seen any sign of the stoppage of such improvements in consequence of the approach of a revision of settlement; even the old practice of throwing portions of land out of cultvation is, I believe, now exploded. The only general effect of a coming revision is to stop enhancements of rent for a year or two before, and this, though a loss to the landowner, is a gain to the tenant. The real objection to temporary settlements is that they make the value of land uncertain, and consequently check the interchange of it. This appears at first sight a serious matter: but it is to be remmebered that the practice of buying and selling land barely existed in these provinces prior to our rule. The notion of the free interchange of land is quite foreign to the East, and, indeed, is of comparatively modern existence in the West. Our revenue system has done so much

already to encourage or compel the transfer of landed property, that I think it is but a small argument against temporary settlements that they have the effect of checking transfers.

Question II.—(*continued*) First objection

The advantages of a permanent settlement are therefore, in my opinion, not so large as is commonly supposed.

Against the proposal to subject the revenue to a rateable increase in proportion to the rise in prices, there are, I think, several serious objections. In the first place, it will obviously be unfair to take such an increase of revenue unless we are certain that rents rise at the same rate as prices. Now, it seems at first sight a natural supposition that rents will so rise. Assuming, that is to say, that a permanent rise in prices has been produced by permanent causes, it seems fair to conclude that rents will rise to the same proportionate extent. But this conclusion, though it may be theoretically correct, makes no allowance for opposing causes. In the circumstances of this country, I think, it is extremely improbable that rents will rise at the same rate as prices. That they will rise to some extent; not, indeed, simultaneously, but after a certain interval, wherever a permanent rise takes place in the prices of produce no one of course doubts. But the rise in rent, in the present state of the country, will not be in the same proportion as the rise in prices. If prices rise 50 per cent., rents will rise, not 50 per cent., but in some smaller proportion. The reason of this may be stated in two words. It is the certainty, so far as any event of this kind can be predicted with certainty, that for a long time to come the cultivators will absorb a larger proportional share of the produce than they have hitherto done. In the last few years many events have been tending to improve the condition of the cultivators of the North-West. If it is conceded, as it must be conceded by any one acquainted with the facts, that the cultivator has hitherto been able to retain only an insufficient share of the produce, it necessarily follows that he will not fail to secure a larger share as soon as any event occurs which enables him to do so. I shall show presently why I think that a rise in prices of produce is such an event. The point I wish to lay stress on here is that having once become accustomed to better food, to a more comfortable mode of life, and to greater independence, the cultivator will not easily be pushed back into his former misery. There is also another powerful cause which will contribute to the same result. The expenditure of capital in the employment of labour all over India has worked a great change in the condition of the poorest classes. Near great cities, and along the lines of great railways, the money wages of labour have doubled and trebled. The effect has spread out in broad waves over the country around. The day-labourers and village menials have attained a position they never even dreamed of before. The men who were glad to get occasional employment as ploughmen under the superior cultivators now drive their own ploughs on their own holdings. This change in the condition of the lowest classes can hardly fail to work an upward effect upon the classes above. The old cultivators will hardly consent to fall below these newly-raised classes in their style of living. The standard of living will be raised from below.

Further, it will be observed, that the rise in prices cannot possibly enable the cultivator to support life on a smaller share of the actual produce than formerly. The share of the produce which the cultivator retains is not, as a rule, converted into cash. The actual grain is nearly all wanted for food for his family, or for occasional wages to the day-labourers who are generally paid in kind, or for seed grain for the next year. He must eat as much food and sow as much seed when wheat is at Rs. 2 a maund as when it was at one Rupee; and his day-labourers eat rather more than they used. The mass of the cultivators have nothing to put by at the end of the year, and their condition is sufficient proof that the share of the produce hitherto left to them has been generally too small. Where, then, is a rise in rents, consequent upon a rise in prices, to come from? It can only come out of the increased money-value of the share of the produce formerly devoted to the payment of the landlord. But if, as I argue, the circumstances of the country render it almost inevitable that larger profits will in future be demanded by the cultivators, it follows of necessity that the rise in rents cannot be equal to the

rise in prices. Some part of the increased money-value of the landlords' share will be absorbed by the cultivators.

It remains to point out how the process by which a permanent rise in prices takes place is peculiarly favourable to the cultivators. If such a rise were a clearly defined and tangible event, taking place within a period of two or three years, after which prices remained fixed at a higher level, it might be possible for the landlords to recover immediately all the enhanced value of their share of the produce. But prices do not rise in this way. They are affected by various causes, some of which occasionally conflict with one another. A rise, therefore, takes place through a series of fluctuations, the general level of the last fluctuations of the series being higher than that of the first. Now, rents cannot fluctuate with prices. And it is impossible therefore for them to rise to any general extent until it has become obvious to both landlords and tenants that the higher level has been reached. One year of low prices will throw doubt, as the present year is doing in the North-West, upon the high prices of many previous years. The benefit of the doubt must be given to the cultivator. Thus, before any general rise in rents can take place, the cultivators must have been enjoying for several years a succession of enhanced profits, varying indeed, in amount, from year to year, but on the average considerably larger than those they formerly received. When the rise in rents does come, it is not to be expected that they will easily relinquish the whole of those enhanced profits they have been enjoying so long. They have, so to speak, forestalled the landlords, and they will not give up their advantage without a struggle, into which some landlords will be incompetent and many more too indolent to enter. In the end, it may fairly be predicted that the cultivators will be left in possession of part of their gain.

If these arguments are correct, a permanent settlement on the proposed system will be unfair to the landowners.

Question II.—(*continued*) Second objection

7. My next objection to the proposed system is that it is more intricate, and would be more difficult to work in practice than appears on the face of it. One is inclined at first sight to imagine that under such a system the revenue could be steadily raised at short intervals *pari passu* with prices. But consideration shows that this is not the case. It has been pointed out above that a rise in prices takes place, not steadily but through a series of fluctuations. These fluctuations are far more violent than is commonly supposed. The diagram on the opposite page shows at a glance the rise and fall in the average price of wheat in four of the chief markets of the North-West (Bareilly, Agra, Ghazeeeabad and Allahabad), taken in periods of three years for over sixty years past.

This diagram shows that the history of prices in the North-West, as far as we possess it, is the history of a series of violent oscillations. It is not merely that prices occasionally rose and fell largely. The oscillations recur regularly in periods of from eight to sixteen years. A cycle of bad years steadily follows a cycle of good years. If the experience of the past teaches anything, it teaches that we are now near the end of a cycle of high prices, and that an oscillation in the direction of lower prices must shortly take place. It is evident, then, that no short period of ten or fifteen years can be trusted to give a true average of prices. Imagine the result if the revenue had been made to fluctuate with prices through periods of ten years since 1816 A. D. In one period the landowners would have enjoyed huge profits. In the next every man of them would have been ruined. It may be replied that the construction of railways and the improvement of communications all over India will tend to equalise prices. But the extent of this equalisation must not be overrated. Local famines will be averted, great inequality of price between adjoining tracts will be prevented, but, on the other hand markets will become more sensitive to the variations of produce all over the country, and fluctuations in price, though smaller, will probably be at least as frequent as before. I take it as certain, therefore, that a period of thirty years would be the shortest period over which an average of prices could be safely struck. The increase of revenue could only be effected at intervals of at least thirty years, and then only by a comparison of prices extending over at least sixty years.

Question II.—(*continued*) Third objection

8. The important question then follows:—Would the people regard a settlement made on this system as a permanent settlement? It is obvious that no object would be gained by granting them a settlement in this form, even though we know it ourselves to be a permanent settlement, unless they accept it as permanent. The value of the permanency lies in their imagination, in the certainty which it produces in their minds that their estates will retain a permanent value. If this impression is not produced on their minds, there is no use in the measure. Now, I think it nearly certain that the mass of the landowners would not regard such a settlement as permanent. They simply would not comprehend the measure. Indeed, I think it probable that their minds would be unsettled and alarmed by it, for they would fancy there was something hidden behind. To our ideas, the scheme may be simple enough, but it would not be so to theirs. To them it would seem hopelessly intricate, and they would rather have a temporary settlement at once. Suppose a man were told that his estate would be assessed now at Rs. 1,000, and that after 30 years he would have to pay a rateable increase in the proportion of the rise in the average price of produce of these 30 years over the 30 years preceding. He would probably reply :—"What do I know about the average prices of the last 30 years? And how can I tell what the average price may be in the next 30 years? There may be a famine, and prices may range high, and then I should be ruined. What does the Government mean by trying to entrap me into this agreement? Why cannot you wait 30 years, and then assess me again fairly as you have done now?" Or, if the proposition were put to him in another way, and he were told :—"Your estate is considered capable of paying, as revenue, so many maunds of wheat, so many of rice, so many of sugar, &c., the value of which at such and such prices (*i. e.*, the average prices of the last 30 years) amounts to Rs. 1,000. After 30 years the average prices of that period will be applied to the same amounts of produce, and the resulting sum is the revenue you will have to pay after that." I think the man's mind would be just as bewildered as before. He would probably make some such answer as this. "But my estate does not grow as many maunds of wheat as you mention : and the rice crop constantly fails, and after thirty years the soil may become unsuited to sugarcane, what shall I do then?" Such answers, of course, would be foolish, but they would, I believe, be made, and we should fail in our end altogether if we tried to force upon the people any measure, however really beneficial to them, which they themselves misunderstood or mistrusted.

Question II.—(*concluded*) Fourth objection

9. Finally, even if we are ultimately to adopt this system, what necessity is there for our binding ourselves to it at once? We must remember that if we announce our adoption of it now, we tie ourselves to perpetuate for ever the mistakes we may be making in our present settlements, and we put it out of our power to redress the inequalities which may in future arise. A lightly-assessed district will always retain an advantage over a heavily-assessed district. The rateable increase which we shall assess on the revenue will be equal or nearly equal everywhere; while the rise in rent will be uneven. The construction of railways will divert trade from old markets, and will cause new markets to spring into existence. In some tracts competition for land will increase, in some diminish. Rents will rise rapidly in some places, and remain stationary, or possibly even fall, in others, from causes which cannot at present be foreseen. But we shall be able to take no account of these changes. Why, then, should we take this step in the dark? Why cannot we wait a few years, and see how our new settlements work? There is no object to be gained by declaring the settlement permanent at once. For the first half of the next thirty years, at any rate, no landowner will look forward to the end of the term. Land will bear just the same price, and improvements will be made just as freely as if the settlement were in perpetuity. A temporary settlement can be made permanent at any moment, but, once made, we cannot retrace our steps. After fifteen or twenty years have passed, we shall be able to judge of the fairness of our settlements, and we shall have gained some knowledge as to the tendency of rents and prices. If the proposed system still seems

feasible, it will be quite time enough then to give general notice of our intention of applying it at the end of the term. Why should we tie our hands now for the sake of the mere name of permanency.

10. I now come to the subject of the present system of temporary settlement.

Temrapory Settlement. Question I.

The first question suggested is, whether the present standard of assessment at 50 per cent. of the rental assets is inadequate? I am clearly of opinion that it is not inadequate. The total demand with cesses is 60 per cent., so that only 40 per cent. is left to the proprietors; and under the present careful system of assessment the tendency is, I think, rather to over-rate than to underrate assets, and to make too small an allowance for accident, waste, bad debts, and the like. I am unable as yet to give a comprehensive eview of the results of the past settlement of this district, but I may state a few suggestive facts. Mr. Montgomery avowedly assessed the revenue at about 60 per cent. instead of 66 per cent. of the assets. In two pergunnahs—Khyragurh and Barah—the assessment broke down and had to be revised. In pergunnah Muh and Kewaie, in which the demand has the reputation of being somewhat heavy, nearly all the old proprietors have disappeared. In the rest of the district the assessment was generally moderate; but it is only in those parts where it has been notoriously light that the old proprietors have stood their ground. Where, then, are those enormous profits from landed property we hear spoken of? Who are the wealthy landowners? In this district, at any rate, the majority of them are men who combine some other profession with land owning. Either they are merchants or Government pleaders, or men in Government employ; or, they are men who, under our rule, have accumulated a large number of estates. The small land-owners are not wealthy. The descendants of the old proprietors, who still survive, are seldom thriving, except in those parts where the assessment has been lightest. Frequently they are in debt. Whatever the cause, whether it is that they are cumbered by unbusiness-like habits, or by extravagance, or by too great consideration for their tenants, or that their unavoidable expenses are larger than we suppose, or that their estates are split up into too many shares, there stands the fact. Landed property does *not* give these people the profits we expect it to give them. It is no sufficient answer to say that this is their own fault, and that the bunniahs who buy them out thrive well enough. The problem we have to solve is how to assess unthrifty people not how to assess bunniahs. If our only object is to obtain the highest revenue possible, by all means let us assess heavily. The process that has been commenced will be completed. The Chuttree and the Brahman and the Jat will disappear as landholders. The revenue will be easily paid, and we shall have a thriving class of bunniah proprietors. But do not let us forget that if such times as those of 1857 ever return, we shall find on our side only a trembling crowd of money-lenders, and against us the mass of the agricultural population.

My conclusion, therefore is, that the present standard of assessment is fully adequate for ordinary cases; but I see no reason why large proprietors, especially Mahajans and others who have acquired their property under our rule, should not be assessed at a slightly higher rate. In practice, indeed, this is already done to a certain extent, for a village held by a community of small proprietors is ordinarily assessed in a more lenient and cautious manner than one held in sole proprietorship by a large owner. The Settlement Officer already possesses a discretionary power in this matter under paragraph 36 of the Saharunpore instructions, which directs him to take "*about* one-half" of the net assets as the Government demand.

Question II.

11. The next question is as to the effect of the Rent Laws in protecting occupancy-tenants from enhancement.

The effect varies in different parts of the district according to the relative character of landlord or tenant. In most parts the landlords are powerful, and the chief cultivators (Koormees, Aheers, Moraees, &c.,) are feeble-spirited creatures, and rents are raised almost invariably by agreement, without resort to the Courts. In some places, where the cultivators are strong, and Brahmans and Chuttrees predominate (notably in Pergunnah Chail) enhancement is resisted, and rents have been as yet little raised.

But the landlords of these parts have hitherto had no great incentive, in consequence of the lightness of the former demand, to press for enhancement; and, at the present stage of settlement operations, I am unable to say how far occupancy-tenants of this class may be able to shelter themselves under the protective clauses of the Law. I say nothing here about the impolicy of binding the Settlement Officer at the time of Settlement, in the matter of enhancements by the provisions of Act X., 1859. This seems now to be admitted on all hands.

Temporary Settlement, Question III.

12. The third question is as to the extent to which, on theoretical grounds, in view of a settlement for a term of years, enhancement of rent-rates, beyond the present prevailing standard, may safely be assumed as a basis of Assessment. I have already pointed out, in paragraph 2, that there are two distinct grounds on which enhancement of rents may be speculated upon in any given tract, *viz.*

1. The ground that rents have been hitherto for some reason inadequate and below the level of other similar tracts.

2. The ground that rents, though previously adequate, have failed to rise with the rise in prices.

In the first case, enhancement may certainly be allowed for, to the full extent probable with regard to the character and condition of the land owners and tenants. In the second case, enhancement may be allowed for, to some extent, but the amount must be determined with great caution in consequence of our insufficient knowledge of the laws governing prices in this country; and the estimate should be based rather upon known facts, such as the condition of the tenants, the extent of enhancement which has already taken place, and the like, than upon theoretical grounds.

The first of the above conditions for enhancement exists in parts of Pergunnah Chail, which has not yet come under revision; and, I believe, in pergunnah Kararee, where the revenue has been assessed by my predecessor with due regard to it, and here and there elsewhere. But generally, I may say, that rents throughout the district have been kept well up to the mark. The second condition for enhancement exists, of course, everywhere, and rents have already risen to some extent in consequence. I am not yet in a position to estimate the allowance that can be made for future rise under that head.

Temporary Settlement, Question IV.

13. The last question is as to the expediency of leaving the assessments open to enhancement or readjustment during a term of temporary settlement. I cannot express my opinion too strongly against any such measure. The fallacy which lies at the root of the proposition is of supposing that the rise in rents is a steady process, which proceeds simultaneously that with the rise in prices or any other cause that brings it about. Rents do not rise steadily, but by jumps. A landlord does not take higher rents from his cultivators merely because prices have risen, but because he sees that they can pay more. When high prices, or any other causes, have made his cultivators prosperous, then, and not before, does he come down upon them for higher rents. It is plain, then, that an interval, sometimes a long one, must always elapse before he can obtain these higher rents, and during that interval he is not only no better off than he was before, but, in the case of a rise in prices, he is actually considerably worse off. He is receiving his old rents, while the purchasing power of the cash he receives is largely diminished. It is only when the rise in rents is considerably advanced that he begins to recoup himself. For the Government to interfere before he has recouped himself would be not only an injustice but a blunder. By continually meddling with the assessment we should only defeat our own end. We cannot expect the sapling to grow if we are continually pulling it up to look at the roots. We could, in fact, find no better method of preventing it from ever becoming a tree.

Report by M. H. COURT, ESQ., C.S.I., *Commissioner, 4th Division, Allahabad, No. 242.—Dated Allahabad, the 29th March*, 1872.

1. My almost immediate departure makes it impossible for me to enter into the subject in the complete way expected, and which the great importance of the subject demands. I can only venture on a few remarks.

2. In the whole of the correspondence, enquiry is directed to the *obtaining* as a necessary preliminary to Permanent Settlement, the highest possible revenue; or, in other words, to exacting the highest possible rates of rent from the cultivators of the land. No regard seems to be paid to any principle on which rates of rent should be based, or to the demand which would yield to the owner of the land a fair rental for the soil rented from him, or yet leave to the cultivator a fair return, for the labour and capital expended in the culture of the soil-rent, in fact, represents what can be exacted from the cultivator. It increases in proportion to the industry or skill of the cultivator without reference to the fertility, natural or artifical capacity of the soil.

3. Where the landlord is powerful, the peasant poor and helpless, the rates of rent are out of proportion high. Where VV. the cultivators are powerful, the zemindar weak or indolent, he fails to recover what he might fairly demand.

4. Under the laws as now in force, both parties are left to struggle against each other as they can. The cultivators have no protection from Government, neither is the zemindar assured of the rents for his land, which are assumed as the basis of his revenue settlement with Government, excepting under process of Civil Law.

5. The avowed intention of the long termed settlements under VII. of 1822, the procedure of which only was modified by IX. of 1833, was to make an equitable but moderate assessment on the cultivators of the soil, and to abandon to the zemindars $\frac{1}{3}$rd of the gross rental *plus* the rents of waste lands brought under the plough by the zemindar, and plus any improvements made during the period of the settlement on the malgoozaree or assessed area. At the time the settlement was made, the contract was for a $\frac{2}{3}$rd of the rents which were determined between the zemindar and the assamee, without cost and by the Settlement Officer. It was not strictly a ryotwar settlement and yet practicably it was so. The zemindar was anyhow assured the gross of which he paid the Government quota.

6. He was then proprietor with full proprietary title. Act X. of 1859 has destroyed his full proprietary title and conferred rights, subordinate, it is true, but still interfering with his right.

7. The present settlements are based on what are assumed as the full rental *obtainable*, but there is no new adjudicature of the rent roll.

8. The repeal of Act XVI. of 1842 has left the zemindar helpless to enhance, unless on proved grounds of enhancement as defined by Act X. of 1859, but which have no consideration with the Settlement Officer, and which may be, and frequently are, the subject of most expensive litigation.

9. All these changes in the law have uprooted the system of fiscal administration and the tenures of which land was owned or occupied.

10. The correspondence which led to the discussion profounded by the Board's Circular shows that the attention of Government was excited, not by any consideration toward the cultivators of the Boolundshuhur District, not by any regret that it had failed to secure to the cultivators of the soil a fair share of the profits of their labour, or had failed to protect them from the exactions of their landlord; but that they did not get a moiety of the enhanced rents obtained by the zemindars after settlement, whether those rents were equitable or no, and on the other hand by the Collectors of Meerut's Report on the Baghput Pergunnah, showing that nothwithstanding the enhanced value of the soil in fertility, the letting value, or rates of rent, had remained at the same rate as when the land had a value so small that landlords were compelled to entice cultivators with almost nominal rent-rates.

11. I do not think this satisfactory, and the law as it stands is to blame, and at all events, I do not think it possible to lay down a standard of rent until a better *principle* of *rent* is in force.

12. On the 2nd permanent question I would note that, as a rule, the cultivators are not affected by the price current; they are entirely in the hands of Bunyas. Repayment of their cash advances for rent, or their grain advances for food seed grain, is in *kind*. The cultivator, if his crop is good, feeds himself and family from his field, and he must eat a certain quantity whether the price current makes the cost ten rupees one rupee.

Report by W. S. HALSEY, C.S., *Collector of Cawnpore.—Dated 30th March* 1872.

I HAVE been desired by the Board of Revenue to give my opinion on the general question of permanent and temporary settlements; to state whether it is, or might be possible to lay down some standard of average rates, below which no settlement should be confirmed in perpetuity; whether rents have reached their full limits; whether, on a review of the prices of past years, it seems improbable to expect any further increase in prices; whether rents have so generally risen with prices as to render a further rise unlikely in view of the probability of prices remaining stationary; whether the population is up to the ordinary standard; what is the margin of culturable land; what are the prospects of improved means of communication or irrigation; is the transition state of Boolundshuhur and other districts entered on, or nearly at an end, in this district; to furnish my opinion as to the staples by which the increase of prices should be tested; whether the share of rental assets, at present left to the proprietors, is excessive; whether I can assume any considerable prospective rise in rents; whether it is the case that the Courts refuse to raise the rents on right of occupancy-tenants to such a standard as would seem fair and equitable, having reference to rents paid by tenants-at-will; and, finally, whether it would be expedient to leave the assessments open to enhancement or re-adjustment during a term of temporary settlement, in consequence of the diminished value of metals, or the opening up of roads, railways, and markets.

Before applying myself to any of the questions raised by the Board, it may be as well to give a short history of this district, for the benefit of those who have not access to Sir R. Montgomery's statistical report published by Government in 1849.

The district of Cawnpore was ceded to the British Government in 1801, and at that time had a rent-roll of Rs. 22,56,156. The Government demand under the first assessment, which lasted for three years, was raised to Rs. 23,59,361. This was done by a Mr. Welland, who was the first Collector and Magistrate, and, strange to say, after he had reported as follows on the state of the district:—"The subjects in this part of the country are in the most abject poverty; let the face of the country be examined, and there will hardly be a manufacture found, or an individual in such circumstances as to afford the payment of a tax. The whole is one desolate waste, in which tyranny and oppression have hitherto universally prevailed." But he adds:—"The people were full of confidence in the justice and integrity of the British Government, and, looking forward to the blessings of a perpetual settlement, such as had been formed in Bengal, were ready to accede to any terms."

In the second year of this happy prospect, famine fell on the land, and the consequence was the sale in default of no less than 405 estates; and these sales would undoubtedly have been much more extensive, but that the Government could no longer find purchasers. These estates fell into the hands of unprincipled native officers and hangers-on of the Court. To remedy the injustice caused by these sales, Regulation I. of 1821 was passed, and a special commission appointed, by whom the sale of 185 villages was reversed; but as this did not occur until long afterwards, it may be readily imagined that very few of the original owners were in a position to take much by appealing to the special commission.

Moreover, the commissioners, losing sight of the original intent of the enactment, admitted and decided every sort of suit regarding land; and thus, before its abolition,

the Regulation, instead of being a means of restoring recently and fraudulently usurped rights, had, under the wide interpretation of the Special Courts, become an instrument of disturbance to tenures, (which, however weak originally, ought, in respect to their antiquity, to have been considered sacred), and engendered a feeling of insecurity in all matters connected with the land.

In 1805 a fresh settlement for a further period of three years was made, which, though effected on the reduced assessment of Rs. 23,73,344, resulted in the further sale of 70 estates.

In 1807 special commissioners were appointed to effect a new settlement, it being at that time the wish of the Government that, when fixed, it should be made perpetual. The Collector was consulted and gave an opinion in favour of a permanent settlement, but recommended the new assessment should only be fixed on trial for fifteen years. He was of opinion that two-thirds of the arable and waste lands were under cultivation, and he furnished an estimate of the assets of each pergunnah, but added the information that the estimates were mere guess-work, and not to be depended on. The special commissioners seem to have had no very great opinion of him, for they finally fixed the settlement for a period of three years only, at a reduced assessment of Rs. 21,69,340. Even this seems to have pressed very heavily on the people. Many landlords refused to engage, and villages paying revenue to the extent of Rs. 2,50,000 were let in farm, and, during the currency of the settlement, 49 more estates were sold.

In 1812 another settlement was made by a Mr. Newnham at a further reduction of Rs. 8,707, and this settlement, though originally only intended for four years, remained in force until 1840.

This period suffered to a great extent from rash speculations in indigo and other country produce, and from the famous famine of 1837-38; this last alone brought about a remission of Government revenue amounting to Rs. 17,10,971.

In 1840 began the settlement which, after lasting thirty years, has lately terminated. The financial result of this, at that time, was a further decrease of Rs. 1,08,392. This settlement was in a great measure effected by Mr. Rose, and was carried out on an entirely new plan; the whole country was surveyed, and maps prepared of every village, showing every field, and with them a detailed statement giving the names of every cultivator, his holding, rent, &c.

Mr. Rose commences his report on this settlement (dated 1842) by alleging that "no district has ever suffered so much from bad administration as Cawnpore;" but, notwithstanding this and superadding calamitous seasons, he records that "the flourishing appearance of the district must excite the wonder of all who had witnessed the utter state of ruin to which it was reduced by the famine." Further on he moderates this statement, and says "there had been a general and extensive reduction of rent-rates, and that the cultivation was still much below the former standard." He goes on to say:—"No district in the North-West Provinces can show an equal extent of country paying such high revenue rates as are prevalant in seven out of the nine sub-divisions of the district;" that "there are no local or permanent advantages on the part of Cawnpore sufficient to account for its very high revenue rates, as contrasted with those of similar districts;" that "an excessive revenue demand may be long exacted without any deficiency, so long as you have a set of wealthy speculators at hand ready to put their money into land;" that "in no district has there been such a rapid and extensive change of landed property as in Cawnpore;" that "at least three-fourths of the landed property of the district had changed hands in the preceding thirty years."

He also makes the following observations, which I note, as they bear on subjects which I shall hereafter touch on:—"The demand for agricultural produce, caused by the large military cantonment at Cawnpore, might be adduced as a reason for the ready sale; but it would be a very unsafe one to take into account in fixing the assessment for a prolonged period; since various contingencies may, at any time, cause the transfer

of troops to other parts of the country." Again, he says:—"The Kormee* villages were rated much above the standard of the district, and the estimates of pergunnah officers would, if adhered to, have added 30 per cent. to the former assessment."

Mr. Rose's anticipations of the recovery of the district from the effects of famine were, however, not realized. A revision of the settlement became necessary so early as 1845, which ended in a further reduction of Rs. 32,326. During the currency of the thirty years, the district has suffered from the Mutiny, and also from famine in 1861-62; and though no villages have been sold in default of revenue, no less than 1,598 villages, or portions of them have changed hands within that period.

The following statement shows at a glance all the assessments of the district up to the present time:—

1st Settlement.	2nd Settlement.	3rd Settlement.	4th Settlement.	5th Settlement.
Rupees 23,59,361	22,51,024	21,69,340	21,89,658	20,35,311

To sum up the proceedings of the past, we have five times re-assessed the district, and each time has been distinguished by a reduction of the Government demand and by large transfers of property. (Sir R. Montgomery furnished a statement showing, from the cession up to 1846, 1,149 villages had been wholly transferred, and 301 in part, out of a total of 2,311. Appendix C., shows transfers of 602 villages wholly and 996 villages in part.)

To get at the total transfers from the cession up to date, we must deduct from my tables 150 whole villages and 363 portions of villages transferred between 1840 and 1846; the balance, *plus* Sir R. Montgomery's figures, gives a grand total of 1,601 villages, or 69 per cent. wholly transferred, and 943 portion of villages, or 40 per cent. in part transferred.† During the last two settlements we have twice suffered from famine and once from rebellion. We have not yet arrived at the long-expected permanent settlement, and with every desire to confer the blessings of justice, peace, and prosperity on the people, we can hardly claim to have been very successful.

A sixth settlement is now in progress, and it remains to be seen whether, profiting by the lessons of the past, anything can be done to better agricultural prospects, satisfied, as we must be, that we have gained nothing during seventy years by alterations of the assessment; that the cultivator, so far from thriving under our rule, is still in the same state of abject poverty he was described to be in 1801; and that the proprietor has been in a chronic state of transfer ever since the commencement of the century.

If we really wish to profit by the past, and look the whole subject fully in the face, we must at once admit that the only real standard which defines rates is the Government demand; that the rent-rates *per se* have no connexion with, or bear any proportion to, the produce of the land; that they are the result of the Government demand, which is light or heavy in proportion to the statement of income received from the Government which preceded ours. To make my meaning clear, take, for instance, this district. The income received by our predecessors was stated to have been in round numbers twenty-two lakhs; when we took over the district from the Nawab, by some prefectly unintelligible process, the Collector of the time being arrived at a conclusion that the district could pay twenty-four lakhs. One thing, however, is quite clear—he never made the slightest enquiry as to the productive resources of the country (we only find one mention of such enquiry during the first forty years of our rule, and the result of that even was said to have been a mass of errors and utterly unreliable); so that in point of fact we accepted the Nawab's rent-roll, as it was called, which was simply a statement of the amount he and his subordinates were able to screw out of the people; and, assuming the people could afford to pay more under our beneficent rule, we added on two lakhs of rupees to the annual demand. This being distributed over the pergunnahs was further sub-divided over villages, or rather heads of villages,

* The Kormees are a caste of cultivators who may be said to understand what we call high farming, and are celebrated for their industry and agricultural skill.

† Under the heads transfers 5, 6, 7, 8 in this table, I have only noted the first sale. The land has been repeatedly transferred, as will be seen by adding together columns 12 and 18, which give a total of 3,034 sales.

and they again sub-divided it over the cultivators. In this way, it will be seen, the cultivator was made to contribute to meet the Government demand, and his contribution subsequently came to be called rent. But if rent is what we generally understand it to be—*viz.*, that portion of the value of the whole produce which remains to the owner of the lands, after all the outgoings belonging to its cultivation, of whatever kind, have been paid—it is evident this contribution is not rent, for the produce of the land had never been ascertained, nor the cost of cultivation, nor the amount of profit, if any. Things, however, went on for nearly forty years with a very slight variation in the contribution paid by the cultivator, till in 1840 the Government officials dignified it by the name of rent and, reversing the process by which the contribution had been fixed, evolved the Government demand out of the so-called rent. It is astonishing to find how, with all the trouble, energy, and genius which were expended in carrying out the settlement of 1839 and 1840, it never occurred to any one to ascertain whether there were any profits in cultivation so as to make rent. The whole ability and energy of the Settlement staff was engrossed in ascertaining what they called rent-rates, but what I call contribution-rates; and, it is only now, when we find the whole district so rack-rented—the people cannot be worse off—that we discover the land-revenue, so far from being the rental of the Government property, is a forced contribution from the occupant thereof.

That this same process has been followed all through the North-West Provinces I verily believe; indeed, it would be otherwise impossible to account for the extraordinary variation in the so-called rent-rates in adjoining districts.

If, then, the Government are anxious to lay down some standard of average rent-rates, it will be necessary first to discover whether there is any profit in cultivation—in fact, whether there is any basis for rent. Appendix A, which we shall presently discuss, throws great doubt on the question; and until those figures are shown to be materially wrong, seems unnecessary to discuss it; one obstacle *primâ facie* appears, however, to be insurmountable—the distance of some portion of the provinces from the great centres of trade. The opening up of new means of communication may reduce the difference considerably; but I cannot understand how anything we can do will ever put outlying districts on an equality with those in the immediate neighbourhoods of the great marts.

I will now proceed to discuss the questions raised by the Board, but in doing so I must be allowed to depart from the order in which they stand, for reasons which will become obvious as we proceed; and premising that in all which follows I am referring only to the district of Cawnpore, I shall begin by giving my opinion as to the staples by which the increase of prices, if there be any, should be tested. These are gram, wheat, barley, joar, bajra, and sugar. The grounds on which my opinion is based will be found in the following statement:—

Total Produce of the Districts in 1848 *and in* 1871.

	1848.*	1871.
Gram, ...	573,210	600,000
Wheat, ...	854,953	2,723,433
Barley, ...	1,334,336	
Joar, ...	1,032,601	531,261
Bajra, ...	229,632	
Sugar, ...	179,524	200,000
Total, ...	4,204,256	4,054,694
Cotton, ...	144,915	48,417
Miscellaneous, ...	316,041	1,375,117
Grand Total, ...	4,665,212	5,478,228

* The figures of the year 1848 are taken from Sir R. Montgomery's work.

The six staples I have selected in 1848 formed 91 per cent. of the total produce of the district, and again in 1871 we find the same six staples forming 74 per cent. of the whole out-turn. This percentage would, however, have been much larger had not the bajra and joar crop completely failed throughout the district.

The only other staple which might have been selected is cotton; I have rejected it because the cultivation is entirely regulated by speculation. If the price rules low during the months of April, May, and June—*i. e.*, just before the sowing season—the cultivation is sure to be curtailed. Moreover, I am firmly of opinion Bengal cotton will, before many years, almost disappear from the English price current. It is incapable of improvement at a profit, and can never compete with American cottons, which will ere long push it out of both European and China markets.

The staples I have selected show an increase in 1871 over 1848, whilst cotton shows a very considerable falling off.

We will next take the question whether rents have reached their full limit. To test this I have prepared a statement, Appendix A. This contains a comparative and detailed account of the cost of cultivating the six principal staples of the district. Mr. Hume's figures are taken from a statement furnished by him in 1864 to the Board of Revenue; Sir R. Montgomery's are taken from his statistical report on the district of Cawnpore; my own are the result of enquiries extending over the past four years.

Mr. Hume's details are defective in many respects. Under the heading "seed," he has entirely omitted the large item of "sugarcane slips;" on the other hand, he has accounted for a great deal too much seed for both bajra and joar; under the head "ploughing" and manure he has charged nothing for the hoeing and the hauling out of the manure, nor has he allowed anything for weeding under sugarcane and wheat; he has over-estimated the cost of irrigation, allowed nothing for thrashing and cleaning, and his rent-rate for sugar-cane is evidently only calculated on one year's occupation of the land. His total charges, however, very nearly tally with mine, and in produce we only differ considerably in the matter of bajra and sugarcane. As regards sugarcane, I have charged for the highest cultivation known in these parts, and consequently have credited my account with the highest known produce.

Sir R. Montgomery's details are still more defective; he allows nothing for manure and nothing for weeding, either barley or cotton. His well-irrigation is altogether under-estimated; his premises are wrong. He asserts that one pair of bullocks can water half an acre a day. This is quite out of the question: they might possibly, if hard pressed and worked for 14 hours, water half that area. As a fact, however, the average is nearer an eighth of an acre. Bird-scaring, reaping, and thrashing are all ignored, as is also the second year's rent for the sugarcane field. The result is, that his charges fall far short of either Mr. Hume's or mine, and as his produce is the same, his statement shows a considerable profit to the cultivator. It is, however, but fair to add that he starts with the presumption that manure is rarely, if ever, used. I cannot say what was the case in his time, but I can bear testimony to the fact that now every village is emptied of everything in the shape of manure, just before the rainy season commences, and any one who is out in the district at that time will see every field anywhere near the village site dotted with manure heaps.

The statement itself contains at foot the grounds on which my charges are based. I have endeavoured to keep them as low as possible, and have restricted my investigation to fields in which only one crop is cultivated; neither have I made any allowance for two crops in the season, because it is the exception, and not the rule, in this district. In a return lately made to Government, it was shewn that out of a total cultivation of 8,53,820 acres, only 27,953 or little more than 3 per cent., bore two crops in the season.

As regards mixed crops, every one who knows anything of agriculture must know that the result will be diminished produce, whether it be wheat and rape, or barley and

gram. It is only done in this country when the cultivator's area is small, and with the object of having a little of everything.

I have, however, given an out-turn considerably above the average, and, in the case of sugarcane, a bumper crop. I have charged nothing for manure itself—only for the hauling out; nor have I said anything about the cost of getting the crop to market, as in this statement I have been discussing the cost and profit to the actual cultivator. A very small percentage of these take their grain to market; it passes into the hands of the zemindar or money-lender on the threshing-floor. I have only made such charges as a cultivator may expect to have to pay when emigration sets in to other and less densely-populated provinces. Supposing this statement, then, stands the test of criticism, it will be manifest that, if the cultivator of this district had to pay for labour, he could not cultivate at a profit; that he can hardly be expected to be contented, and certainly cannot be considered a substantial peasant. And the fact remains that, after payment of the rent, the margin left for the cultivator's subsistence is less than the value of the labour he has expended on his land.

This is doubtless a new view of the matter, but none the less, I assert, is it a true one. I assert that the abject poverty of the average cultivator of this district is beyond the belief of any one who has not seen it. He is simply a slave to the soil, to the zemindar, to the usurer, and to Government. The only wonder is any one can be found to lend money to such an impecunious individual. It may be asked why, when things are so bad, he does not run away and try a new country. The answer to this is, there is no profession below agriculture; he believes, rightly or wrongly, his *status* would be no better in any other village, and with this drawback, in times of bad seasons, no one would help him. He knows by staying in this own village it will be to the interest of the zemindar and money-lender to leave him sufficient to keep himself and family alive (they all have families); when asked why he does not go, he helplessly ejaculates "*kahan jaega?*"—"where shall I go?" and finally, there is that extraodinary love of home which, though prevalent in other nations, is a sort of mania in a Hindoo. So he goes on from birth to death in the same hopeless, insolvent state, happy if he can only get a little tobacco for himself and a pewter bangle for his wife.

I have said he finds men to lend him money, and for the true exposition of his existence, it will be as well to explain who these lenders of money to insolvents are, and how it is they are able to extract blood from a stone.

There are a class of usurers spread broadcast over the country, who lend money on a system called *ugai*, and make a very handsome profit out of it. It consists in advancing a man ten rupees on condition of his repaying the loan in twelve monthly instalments of one rupee each. When seven or eight months have elapsed, the unfortunate is encouraged to borrow another ten rupees on the same terms, but from this is deducted the balance of the first loan, and he finds himself involved for another twelve months with only the difference in cash, *i. e.*, seven or eight rupees. From this date he may be said to be hopelessly in the hands of the money-lender; before harvest time a further loan, subject to deductions as before, is taken, and the fruits of his labour go partly to meet his loan, partly to pay his rent, and partly to repay seed; the balance, if any, to keep body and soul together. I have inspected books belonging to these usurers, and have seen as many as six hundred separate accounts of this kind in one man's ledger.

In addition to this, and as I have referred to it above, I may as well mention the terms on which he gets seed. He obtains this generally from his zemindars, whose terms are not quite so usurious as those of the money-lender. The cultivator has to repay the original loan at harvest time, with 25 per cent. more, and not unfrequently is bound to dispose of his whole crop to the zemindar at rates favourable to the latter.

I may add he lives entirely on the coarsest grains, one of which, *kesari*, is known to be actively deleterious, producing loin palsy, cases of which are very prevalent in the southern pergunnahs of this district. He rarely, if ever, tastes wheat in any form.

There are of course agriculturists—take the Kormis and Kachis for instance, who from generation to generation have been accustomed to work harder and use more skill in their cultivation than the miserable creatures I have been speaking of; but even they can do no more than get their livelihood out of the land, perhaps put a little more clothing on their bodies, and eat wheaten flour instead of *bajra* or *kesari;* but then they are a class of cultivators from whom the zemindar exacts higher rents. In defence of his action, it must be added, the villages to which these classes chiefly belong will generally be found to be higher assessed than their neighbours, and this notwithstanding that Mr. Rose, whom I have before quoted on the subject, was aware of the tendency of the native officials to over-assess them, and did his best to lower their rates to an equality with their neighbours.

I regret to say that, with these few exceptions, the normal state of between three-fourths and four-fifths of the cultivators of this district is as I have above shown. It may appear to many to be exaggerated, and, from the nature of the case, it is of course impossible to produce figures in support of it; nevertheless it is the result of my personal observations, and I feel confident the result of the whole discussion will be to prove I have not overstated the truth.

Such being the position of the peasantry of this district, I need only add that the so-called revenue-rates of the district have been, during the past thirty years, higher than the rates of any other district in the North-West Provinces; and asserting that the transition state of Boolundshuhur and other districts neither has been, nor is ever likely to be, entered on in this district, leave the Board of Revenue to decide whether rents have not more than reached their full limit, and whether the Government is still, or ever will be, entitled to a further share in the labour of these slaves of the soil.

I will now proceed to review the prices of the past year.

Appendix B. contains the prices of the five principal staples of the district. The rates quoted in the table from 1823 to 1837 are abstracted from Sir R. Montgomery's statistical work; from 1838 up to the present time, they represent actual prices paid by merchants of this city at harvest time in each year. The books of two of the oldest and largest firms of this city were kindly placed at my disposal, and I caused the actual rate paid for a specific transaction, during the month of Bysakh, equivalent to our month of May, in each year to be abstracted.

As this list of prices shows a result very different from the generally received opinion as to a rise in prices, I shall be happy to assist in subjecting it to any test the Government may see fit to apply to it. I regret I cannot quote from any authority as to the sort of harvest there was from year to year; but from all I can ascertain, and all I can myself recollect of the periods from 1840 to 1850 and 1850 to 1860, to the latter of which my experience is alone confined, the harvest during these decades were above, rather than below, the average, and considerably in excess of the two previous decades. The low prices and fine harvest of 1871 go very far to establish this, the prices of this year being on a par with those two decades.

If this is the case—and general report bears my assumption out—the cheapness of grain during those two decades is at once accounted for, and the fact established—*there has been no rise in prices quoad the principal staples of the district during the past fifty years.*

I have not thought it necessary to include cotton in this table, as it is now well known the rise in price of that article was quite ephemeral and solely due to the American war. We have during the past year again reached the level of the ante-American war period, *viz.*, 13 rupees per maund. I have omitted also sugar, and other products of a like nature, the cultivation of which may be fairly called market gardening; because this high farming is carried on by an infinitely small percentage of the population, and because, were it increased to any extent, the profits would immediately decrease, and further, because rents derived from that class of cultivation could never be used as a general standard for the district, one whit more than the

ordinary cultivator, taken as he is, could be made to cultivate with the skill and success of the Kachis and Kormis, the market gardeners of the country.* Nor do I foresee any increase in these prices, or know any cause which might operate to bring about such an increase.

And here I will touch upon the question of improved means of communication.

Whatever advantages a district can derive from variety of communication, this one has enjoyed. Bounded on the one side by the river Jumna, and the other side by the Ganges, it has always had the full benefit of river communication. It has always had one of the main arteries of the country, the old Mogul road, running right through the southern part of it, and since 1840 has enjoyed the advantages of the Grand Trunk Road running through the northern portion of the district. Since 1854 it has had its communication northward increased by the Ganges Canal, and since 1860 it has had the East India Railway; for nearly fifty years it had one of the largest military cantonments in its centre; and after an interregnum of ten years suddenly found itself possessed of the largest emporium of commerce in the Upper Provinces. But as far as I can see, or figures can tell, not one of these advantages appear in any way to have affected the price of the staples of the district; so far from its deriving any further advantage from its Railway, speaking from an agriculturist's point of view, I know nothing which will tend more to keep prices at a level.† So long as there are thousands upon thousands of acres of grain bearing lands yet to be brought under cultivation along the line of the Great Indian Peninsular Railway, there is no just cause to expect a rise in the price of grain.

The question, then, whether rents have risen with prices, has already been disposed of. There has in point of fact been no rise in either. There has been no rise in rent, and there could not have been, because the settlement of 1840 left them so high, that the margin left for the cultivation is as small as it can be. That there has been no rise in prices is apparent from Appendix B.

These reasons prevent my assuming any considerable prospective rise in rents. They have also prevented any considerable attempt at enhancement through the process of law, from which I should be justified in asserting that the Courts refused to treat tenants with right of occupancy and tenants-at-will on the same footing.

As to the question of the population being up to the ordinary standard, I can only say it is considerably above it. By the census of 1865, it stood at 502 to the square mile; and though I cannot detain this report until the result of the census just taken is known, I have not the slightest doubt the past six years will show a great increase on that number. At any rate, the figure above quoted is considerably above the average of the whole North-West Provinces, there being only nine districts which were more populous in 1865.

We next come to the question of the margin of culturable land yet to be brought under the plough. The following statement shows the state of the district thirty years ago in acres :—

Total Area.	Barren.	Total Culturable.	Cultivated.	Balance.	Percentage of Balance on Total.
1,457,795	514,443	943,361	786,254	157,105	16·61

* I may be allowed to mention a case in point to show how the increased cultivation of one of these garden products resulted in diminishing the profits of the first speculation.

The Municipality of Cawnpore in 1867 began the cultivation of the edible sugarcane. At that time there was very little grown in Cawnpore, and the gardeners across the Ganges in Oudh were deterred from competing in the cultivation, owing to the settlement operations then going on in that district. The first year the Municipality sold half an acre for Rs. 500, and several acres the second year at the rate of Rs. 200. They finished, however, in 1870 by only realizing about Rs. 50 an acre. This was entirely owing to competition. The assessment of the land in Oudh having been completed, hundreds of acres were put under cane of one sort and the other, and any quantity of it was obtainable in the Cawnpore market.

† Sir C. Wood foresaw this in 1861; at that time he wrote :—"The probable effect of the railroads would seem to be towards the equalization of the prices of produce in different parts of India, and a general improvement in the wealth of all classes of the country, rather than to give any peculiar advantage to the landholders."

I have no reason to suppose the new and more accurate survey will very materially alter the figures in the second and third headings. I have lately received from the Settlement Officer the result of the new survey of the only pergunnah, Bilhour, which is completed, and I here give it in comparative form :—

	Total Area.	Barren.	Total Culturable.	Cultivated.	Balance Culturable.	Percentage of Balance on Total.
1840, ...	111,298	29,008	81,290	59,079	23,211	28·55
1871, ...	111,433	31,080	79,853	62,981	17,372	21·76

The surveyors, it will be seen, have not been able to convert the area of the barren land into culturable—indeed there is a slight diminution in the culturable area.

It is astonishing, however, to find that in a pergunnah which has for many years enjoyed the use of canal water, so large a percentage of culturable land should still be uncultivated. This, combined with the fact of there being 505 people to the square mile in the pergunnah, only tends to corroborate my former assertion—there is little or no profit in agriculture in this district.

We will next turn to the question of whether rental assets, at present left to proprietors, is excessive or not.

Appendix C has been prepared with a view of showing not only the extent of transfer of property in the district, but also to endeavour to show what, under the most favourable view of the case, the profits are worth. It is a well-known fact that a landholder, even in hard times, will sell anything and adopt any shift rather than part with his land. When, then, we see the gigantic and wholesale transfers of land which have been going on ever since the cession, we can only adopt the inevitable conclusion —there can be little or no profit in landed property. Were the subject confined to single transfers, it might be suggested, knowing the unthrifty nature of the agriculturalist, that these transfers must have in a great measure arisen from the owner's extravagance; but when one comes to examine the subject either by the light of the price paid per acre, of the number of years' purchase, or of the repeated transfers (for it will be observed the number of sales in columns 12 and 18 exceed greatly the number of villages or shares transferred)—the only conclusion is, the properties were hardly worth buying, *qud* profits, and are certainly such as to offer no inducement whatever to invest capital in land. Indeed, I have been informed by several land speculators, they do not look so much to profits derived from the produce of the land or from enhanced rents; they expect, and as a fact do recoup themselves by, the interest on the monies lent by them to the villagers (when once they get possession of a village in this way, they take care to keep other usurers out). This interest, as I before explained, they recover chiefly in kind, and, added to the larger products, such as grass, fruits, fish, timber, &c., makes the return from their investment pretty safe. It does not, however, add to the prosperity and even comfort of the villager; on the contrary there is nothing which has so contributed to the demoralization of the country as the transfer of land to these harpies.

In this table will be found a comparison of the price of land as it ruled during the three decades of the past settlement. It has been prepared either from inspection of actual sale-deeds, or, in their absence (many having been destroyed during the Mutiny), from the statements of the parties to the respective transfers. All cases which could not be corroborated in either of these two ways have been omitted from the register. Every precaution has been taken to fix the dates accurately in the absence of the deeds, by comparison with our office registers of mutations of property and the Canoongoes'* records in the pergunnahs. When I say it has taken nearly eighteen months to compile, I trust the Government will give me credit for having taken every means in my power to assure its accuracy.

* A country registrar.

In preparing the private transfer columns, I have omitted all mortgages, as they are for the most part mixed up with the sales ; but where a sale has been anticipated by a mortgage, and only the final settlement of accounts mentioned in the deed, I have included the original loan in the sale. The effect of this no doubt is frequently to show a higher price than that actually paid. Interest, and various other items, have all contributed to swell the whole before the final transfer took place. So also many of the sales recorded show a higher price than that actually paid. There are cases in which portions of villages have been transferred to other than shareholders, and a fictitious price entered in the deed of sale with the object of defeating the claim to pre-emption by a shareholder.*

On the other hand, the sales under decree of Court, as a rule, represent *bonâ fide* transactions, and the number of land speculators in Cawnpore referred to by Mr. Rose, and still existing here, prevent land-selling by public auction below its value. In studying the statement, therefore, I am more inclined to accept the result of sales under decree of Court as representing the true state of affairs, and not those shown under private transfers. There is also another thing in the table which is calculated to mislead, but which combines to prove that the real value of land is even less than the figures show.

The number of years' purchase has been calculated on the assumption that the profits of an estate are equal to the Government demand ; in other words, on the principle of 50 per cent. assets.

This has been done in consequence of the Government of India, in the matter of the Income-tax, having decided that incomes from land are to be assessed on this assumption.

Taking this asumption to be correct, it will be found that the interest on the total investments of 30 years in land sold under decree of Court amounts to Rs. 24-6-4 per cent. To carry it out further, the interest on the investments in the first decade amounted to Rs. 30-9-9 per cent. ; in the second decade to Rs. 24 2-5 per cent. ; in the third decade to Rs 19-12-1 per cent.—and yet land was only worth about four years' purchase during the 30 years, and in the best decade only worth five years' purchase. This, coupled with the fact contained in Appendices A and B, should satisfy most people that the profits have been greatly over-estimated.

Here again this unfortunate district has suffered from having been mis-understood in the same way it always has ; because the city of Cawnpore is thriving, it has been assumed the district is also. If in Rohilkhund, with a revenue rate of about Rs. 2, the profits of land are equal to the Government demand, under what possible assumption can the profits of this district be adjudged the same when the revenue rate is about Rs. 3 ?

It is true that the statement examined by decades shows an increase in the last decade in the price of land, whether tested by the value per acre or by the number of years' purchase. But, after all, the value per acre is a very uncertain test in a country where in some villages there is hardly an acre of waste-land, and in others three parts are barren. (I have found it impossible to ascertain the exact amount of cultivated land transferred, owing to shares in villages held conjointly being so frequently sold.) The number of years' purchase is, without doubt, the best test, and the error in the assumption of the profits equalizing 50 per cent. of the assets, does not affect this view of the case, or rather affects equally the first decade as the last.

There has undoubtedly been an increase in the price paid for the land during the last decade. This may be in a measure owing to the depreciation in the value of silver, but also, as I believe, to the great increase of speculation in land arising from the indirect profits of usury, which will have of course risen with the increased value of pro-

* I have cases on my register in which one-eighth of a village was sold for Rs. 200 to a shareholder, and another similar share to an outsider for nominally Rs. 2,000.

duce. I am perfectly satisfied it is not owing to any rise in rents, though it may have been effected by the breaking up of waste-land through the agency of the Ganges Canal and otherwise.

Whatever may have been the cause, it clearly is not owing to the increased profits of the cultivators, though in some cases it may have arisen from the purchaser being in a position to screw more labour out of the ryot.

So small really is the profit to be derived from land-holding, that it has become almost unsaleable during the past year, partly from the imposition of the 10 per cent. cess for local purposes, and partly in consequence of the uncertainty attending the impending settlement. Anyhow it cannot be maintained that the country is in a satisfactory condition, or that there is any real progress or increase in the material wealth of the agricultural population, when land under the most exaggerated estimate is worth only five years' purchase.

On these grounds, then, I assert the share of the so-called rental assets at present left to the proprietors is very far from excessive, having regard to the amount of the Government demand, and taking into consideration all I have above stated as to the profits of agriculture, and superadding the fact that, good season or bad season, the proprietor has to pay the Government demand all the same. *

The conclusion I arrive at, after considering the subject in all its bearings, is that no advantage is to be derived from leaving the assessment open to re-adjustment during a term of temporary settlement; certainly the lessons of the past do not point to any, nor the *status* of the agricultural population offer any hope. (I do not say we are the cause of this unfortunate position, but I do say our system has tended to keep them in the same hopeless state we found them.) I have shown there is little or no profit in agriculture; I have shown there is no rise in prices; I have shown that seventy years of British administration result in landed property being barely worth five years' purchase. It remains now to show that we have little to expect from canals.

I regret I cannot join in the sanguine expectations of those who look forward to a great increase in the value of land arising from the extension of canal irrigation.

The Engineers who first laid out the canal thought of little else but the fertile parts of the country, and as a consequence took it through those tracts which were already sufficiently irrigated by wells. The advantage of this to the agriculturist was not very apparent. It raised the spring level through the country, and caused all the wells which were not built with masonry to fall in; it covered the hitherto fertile soil, and many places with silt; and the demand being greater than the supply, many villages had to be content with insufficient watering. They also entirely overlooked the natural drainage of the country, and built the canal right across it. The result has been to turn a large quantity of arrable land into barren waste.

An experience of seven years in a canal-water district satisfies me that canal irrigation, unless accompanied by drainage, is more injurious than otherwise. The Canal Department may do a great deal towards this, but nothing they can do will obviate the necessity of the proprietors doing a great deal more for themselves; this means the investment of capital, in other words, means the using up any extra profit they may have realized from the use of canal water.

Appendix D shows the result of one year's experiment conducted last year to ascertain the comparative effects of canal water, well water, and no water at all, on two of the staples of the district. I am free to confess the season was not a satisfactory one for such an experiment (and it will be repeated this year, which, for the same reason, will not be conclusive), owing to the continual showers of rain in the cold weather, which brought the products of the unirrigated land very nearly to an equality with canal irrigation. It, however, shows one thing, and that is, that well water is more productive than canal

* We have now had a failure of the rainy season crop two years consecutively. This is now to be rectified: a scheme is on foot for opening it all up again.

water. This is a fact well known to agriculturists; but as the cause of the difference is still a matter for speculation, I refrain from discussing it. All, however, are agreed that canal irrigated land is apt to become water-logged,—I conclude from the difficulty of restricting the amount used; and whenever rust appears among the cereals, it is worst in this kind of land.

From this statement, however, I make the following deduction:—Admitting the increased value of a village which has been enabled by the canal to water land hitherto unirrigated, and to bring under cultivation land which has hitherto been uncultivated, I am of opinion that Government can afford to give up the difference between the increased value and the water-rate; for, as in the case of last year and this, Providence has supplied the irrigation which has brought the crops to perfection, and not the canal; and if in every five or six years there comes a year in which canal water is unnecessary, surely the cultivator is entitled to share in the blessing of Providence as much as Government. Indeed, when one takes into consideration the fact that the area of canal irrigated lands is larger than the carrying capacity of the canal can supply, and that as a fact it does not give a full supply over the whole area, it is unreasonable both in the Department and Government to claim every advantage—I mean such advantage as they have had no share in bringing about.

It is true that, in the protection the canal affords against famine, the advantage of it is incalculable. But it cuts both ways; if it protects the agriculturist against famine it also protects Government against remission of revenue.

For my own part, believing as I do, that the only increase derived from canal irrigation is the rent on new cultivation, which otherwise could not have been brought under the plough, and which is, as a rule, poor land, situated at such a distance from the village site as to be incapable of sharing in the scant manuring the home fields get, I consider the water-rate as at present fixed quite sufficient, or, in other words, as much as the cultivator can afford to pay. The differential rates between garden and ordinary cultivation are quite sufficient to protect the canal from loss; and in view of the advantages of a perpetual settlement, any loss incurred from any of the above-mentioned sources should be accepted by Government.

That we have some of the most fertile soil in the world will hardly be gainsayed when one considers the crops which are raised by the climate and soil unassisted, I say unassisted because the amount of manure used, having reference to the whole cultivated area, is a mere nothing. Appendix E shows that grain for grain, this soil and climate will produce cereals as heavy and as good as the English climate, and unassisted will yield within a third of what high farming raises from English soil. The difference is manure and science—manure and science are capital.

Whichever way one turns with a view of increasing the productive resources of the country, one has to face the difficulty of want of capital. And if my tables of the cost of cultivation and the prices of the last 50 years are anywhere near accurate, it is hopeless, in the present state of affairs, to expect the investment of any capital in the soil.

The only remedy is to reduce the Government demands, and by special enactment reduce the proprietor's claim on cultivators with right of occupancy in proportion to it. Then settle the Government demands in perpetuity, and very few years will pass over our heads before a marked change will come over the people.

In 1861 Sir W. Muir recorded his views in favour of a permanent settlement, and so exhaustive and able an advocacy leaves little or nothing to be urged in addition.

The Government would save not only the expenses incurred in the periodical revision, but also the greater portion of the cost of collecting. For were the boon granted, one of the conditions should undoubtedly be that the proprietor must pay the Government demand into the Head-Quarters-Treasury himself, in the same way as they have to do in Bengal.

The zemindars and ryots would be relieved not only of the temptation to waste money in attempting to purchase surreptitiously some hoped-for exemption, but also from the exactions of the army of native officials revision of settlement brings into the field.

There is, however, another benefit which, though not mentioned by Sir W. Muir, I hold to be of incalculable value, and that is the being assured of the permanent value of their property. Sir W. Muir has shown most lucidly, in the commencement of his minute, that the landholders of these Provinces have already got perpetual fixity of tenure. It remains for me to point out that every recurring revision of settlement, the value of the property is practically in abeyance, not only until the new assessments are given out, but until all chance of a revision of the revision has passed away. This is from five to ten years according to the size of the district, and according to the number of revisions of revision which are ordered. Take, for instance, Saharunpore; the settlement of this district with its three revisions took over ten years to complete; Goruckpore took very nearly the same time, and was revised several times; so also Boolundshur and Moozuffernuggur have suffered under revisions of revision for lengthened periods, though not, perhaps, quite so long as the two other districts. I know no reason why other settlements, which have been recently completed, should not also require revision. Whatever the period may be which elapses between the commencement of a settlement and its final sanction, I think every one must agree it is an intense hardship on the proprietor being unable to get or demand the full value of his property—indeed it has no value, nor can it have until it is known what the future assessment is to be, and then only when that assessment is unchallenged. There is always the fear of revision for several years after the assessment is announced.

This is in reality one of the most serious evils of temporary settlement. As I have noticed above, land is at the present time unsaleable in the Cawnpore district chiefly from this reason.

I omit all notice of that which His Honor has so ably exposed—the wilful depreciation of property which goes on whilst settlement operations are impending. I join heartily with him and colonel Baird Smith in the belief that a fair and equable assessment fixed in perpetuity would encourage the investment of capital; and can testify to the fact that the present system of temporary settlements acts as a bar to those ordinary improvements which are within the means and skill of the agriculturist to employ.

The fact is, capital in this country, as everywhere else, is always looking for an outlet. I hold the custom of burying rupees in a pot is fast dying out; trade in country produce and money-lending have taken its place, and the profits from both these sources are so great, that it has become necessary to offer some other inducement to get money on to the land. Can there be any greater proof of this than is contained in Appendix C?

Too great stress cannot be laid on Sir W. Muir's objection to the alternative of long settlements. There is a charm, as he and Mr. Mill rightly say, in the words "for ever"—such a charm in the ears of a native as few of us can appreciate, which, if combined with a reasonable reduction of the Government demand, would diffuse a spirit of contentment and satisfaction over the whole country, and for the sake of which we should be justified in giving up all prospective advantages, and which contentment and satisfaction will so contribute to the material wealth of the country, that when from the fall in the value of precious metals, or other causes we are forced to turn our attention to other sources for revenue, we shall not find the slightest difficulty in raising it.

Year.	Wheat.			Barley.			Gram.			Dal, Arhur.			Jowar.			Bajra.		
	Md.	S.	C.	Md.	S.	C.	Md.	S.	C.	Md.	S.	C.	Md.	S.	C.	Md.	S.	C.
1823	0	19	11	0	28	6	0	31	5	0	28	10	0	0	0	0	0	0
1824	0	24	4	0	35	7	0	34	1	0	32	14	0	0	0	0	0	0
1825	0	26	9	0	35	6½	0	32	13	0	35	2	0	0	0	0	0	0
1826	0	15	2	0	19	9	0	18	10½	0	17	3	0	0	0	0	0	0
1827	0	16	15	0	26	7	0	21	12	0	21	13	0	0	0	0	0	0
1828	0	31	4	1	10	15½	0	41	13	0	36	15½	0	0	0	0	0	0
1829	0	33	1	1	15	1	0	47	8½	1	1	9	0	0	0	0	0	0
1830	0	27	10	1	0	2	0	38	4	0	28	6	0	0	0	0	0	0
1831	0	26	1	0	35	2	0	32	15½	0	19	2	0	0	0	0	0	0
1832	0	30	0	1	5	9	1	0	7	0	31	12	0	0	0	0	0	0
1833	0	28	10	0	39	8	0	36	15	0	30	5½	0	0	0	0	0	0
1834	0	26	3	0	34	10	0	27	6	0	19	4	0	0	0	0	0	0
1835	0	28	1	0	39	10	0	31	8	0	19	2	0	0	0	0	0	0
1836	0	24	12	0	32	3	0	28	12	0	24	12	0	0	0	0	0	0
1837	0	19	½	0	22	14½	0	22	1	0	19	0	0	0	0	0	0	0
1838	0	15	8	0	17	8	0	15	12	0	17	0	0	0	0	0	0	0
1839	0	21	0	0	29	0	0	23	0	0	26	0	0	0	0	0	0	0
1840	0	22	8	0	33	0	0	26	0	0	29	0	0	0	0	0	0	0
1841	0	24	0	0	30	0	0	25	8	0	28	0	0	0	0	0	0	0
1842	0	25	0	0	31	0	0	27	8	0	30	0	0	0	0	0	0	0
1843	0	28	0	1	1	0	0	33	0	0	35	0	0	0	0	0	0	0
1844	0	27	0	1	0	0	0	32	0	0	35	0	0	0	0	0	0	0
1845	0	25	8	0	35	0	0	30	0	0	37	8	0	0	0	0	0	0
1846	0	24	0	0	34	0	0	30	0	0	37	8	1	5	0	1	0	0
1847	0	25	0	0	37	8	0	30	0	0	37	8	1	4	0	0	39	0
1848	0	37	8	1	13	8	1	5	8	1	12	8	1	3	8	1	6	4
1849	0	37	8	1	12	8	1	5	0	1	11	8	1	5	8	1	7	8
1850	0	37	8	1	20	0	1	7	8	1	20	0	1	10	0	1	5	0
1851	1	1	0	2	0	0	1	30	0	1	35	0	2	5	0	1	32	8
1852	0	32	0	1	20	0	0	36	0	1	15	0	2	2	8	1	35	0
1853	0	30	0	1	0	0	0	35	0	1	5	0	1	35	0	1	30	0
1854	0	31	0	1	1	0	0	32	0	1	5	0	1	15	8	1	5	0
1855	0	38	0	1	15	0	1	15	0	1	5	0	0	37	0	0	31	0
1856	0	36	0	1	7	8	0	38	0	1	10	0	1	7	8	0	32	8
1857	0	31	0	0	35	8	0	32	8	0	37	8	0	35	0	0	32	0
1858	0	30	0	0	35	0	0	31	0	0	38	0	0	22	8	0	20	0
1859	0	28	0	1	11	0	0	32	0	1	0	0	0	37	8	0	37	0
1860	0	15	0	0	25	0	0	18	0	0	22	0	0	34	0	0	30	8
1861	0	19	8	0	26	0	0	22	0	0	24	0	0	23	8	0	21	8
1862	0	30	0	0	32	0	0	33	0	1	0	0	0	35	0	0	33	0
1863	0	37	0	1	5	0	1	7	0	1	15	0	0	34	0	0	30	0
1864	0	23	0	0	38	0	0	27	8	0	32	8	0	31	8	0	27	8
1865	0	19	8	0	25	8	0	20	0	0	21	0	0	30	0	0	24	8
1866	0	17	0	0	24	0	0	20	0	0	23	0	0	29	8	0	23	8
1867	0	20	8	0	31	0	0	24	0	0	27	0	0	27	4	0	21	0
1868	0	22	0	0	32	8	0	30	0	1	1	0	0	22	8	0	20	8
1869	0	14	8	0	20	0	0	17	0	0	18	0	0	16	8	0	17	0
1870	0	17	8	0	27	0	0	18	8	0	25	0	0	23	8	0	22	4
1871	0	26	0	0	36	0	0	30	0	0	38	0	0	27	0	0	25	0

AVERAGE.

Wheat.			Barley.			Gram.			Dal, Arhur.			Jowar.			Bajra.		
M.	S.	C.	M.	S.	C.	M.	S.	C.	M.	S.	C.	M.	S.	C.	M.	S.	C.
0	24	5	0	36	6	0	38	4	0	30	4	0	0	0	0	0	0
0	24	2	0	32	14	0	26	4	0	23	8	0	0	0	0	0	0
0	29	1	1	1	7	0	34	9	1	0	7	1	5	9	1	3	8
0	31	3	1	7	0	0	37	15	1	5	4	0	23	2	1	4	10
0	22	13	0	30	12	0	25	14	0	31	2	0	27	5	0	24	1

PERGUNNAH.	Area.	Jumma.	Number of Villages.	Number of Transfer.				Area of Land transferred.	Jumma on Land transferred.	Periods of transfer.	Private Sales.						Sale under Decree of Courts.					
				Whole Village.	Half & upwards.	A portion of	Total.				Number.	Area in Acres.	Jumma, Rupees.	Price, Rupees.	Rate per Acre.	Number of Years Purchase.	Number.	Area in Acres.	Jumma, Rupees.	Price, Rupees.	Rate per Acre.	Number of Years Purchase.
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13.	14.	15.	16.	17.	18.	19.	20.	21.	22.	23.
District Cawnpore, ...	1,457,795	21,37,999	2311	602	368	628	1,598	548,408	7,21,495	1840 to 1870	2,195	411,179	5,29,769	28,11,122	6 13 4	5·30	839	141,754	1,92,420	7,88,711	5 9 0	3·96
PERGUNNAHS.																						
Sarh Sulempore, ...	131,531	2,35,595								1840 to 1850.	47	14,001	14,233	1,15,811	8 4 4	8·13	28	5,606	11,821	63,669	11 5 8	5·39
Sajmow, ...	170,710	2,95,853								ditto	9	1,144	2,413	14,167	12 6 1	5·79	1	48	84	300	6 4 0	3·67
Silhour, ...	126,645	1,90,831								ditto	41	11,044	16,026	58,799	5 5 0	3·66	27	7,262	11,056	30,462	4 3 1	2·75
Sussoolabad, ...	142,613	1,91,557								ditto	14	6,575	10,264	30,9 3	4 11 3	3·01	4	887	1,469	3,441	3 14 0	2·34
Akberpore, ...	117,624	2,09,695								ditto	103	34,127	42,757	13,585	3 13 0	3·23	38	13,349	15,951	44,090	3 4 10	2·76
Shatumpore, ...	215,086	2,94,250								ditto	108	62,101	43,370	1,49,6 8	4 13 1	3·42	23	5,349	7,735	15,440	2 14 2	1·99
Seorajpore, ...	174,535	2,75,375								ditto	60	11,847	16,054	69,026	5 13 2	4·29	55	8,269	13,776	40.36	4 14 1	2·92
Serahpore, ...	203,449	2,54,676								ditto	92	12,247	13.608	57,595	4 11 2	4·23	72	9,679	10,866	32,304	3 5 4	2·97
Shognipore, ...	175,602	1,90,167								ditto	42	19,280	20.839	80,237	4 2 6	3·85	20	7,482	5,858	26,760	3 9 2	4·56
TOTAL, ...	1,457,795	21,37,999								TOTAL, ...	516	172,366	1,79,594	5,89,781	3 6 8	3·28	268	57,931	78,616	2,56,828	4 6 11	3·26
PERGUNNAHS.																						
Sarh Sulempore, ...	131,531	2,35,595								1850 to 1860	52	10,144	20,860	90,567	8 14 10	4·34	15	2,742	4,328	23,841	8 11 0	5·50
Sajmow, ...	170,710	2,95,853								ditto	30	6,854	12,365	64,064	9 5 6	5·18	3	289	618	1,185	4 1 7	1·75
Silhour, ...	126,645	1,90,831								ditto	43	9,102	13,931	1,04,198	11 7 1	7·47	20	4,135	6,753	22,059	5 5 4	3·26
Sussoolabad, ...	142,613	1,91,557								ditto	28	4,335	6,744	47,125	10 13 10	6·98	5	1,054	1,161	5,767	5 2 11	4·70
Akberpore, ...	117,624	2,09,695								ditto	100	16,631	21,508	92,058	5 8 6	4 60	38	7,068	8,847	37,470	5 4 9	4·23
Shatumpore, ...	215,086	2,94,250								ditto	69	20,838	18,413	96,459	4 10 0	5·23	13	2,843	3,518	16,044	5 10 3	4·56
Seorajpore, ...	174,535	2,75,375								ditto	49	4,047	8,161	53,268	13 2 7	6·52	36	4,627	7,224	29,033	6 4 4	4·01
Serahpore, ...	203,449	2,54,676								ditto	115	12,777	18,541	83,816	6 9 4	4·52	74	7,899	8,935	31,196	3 15 2	3·49
Shognipore, ...	175,602	1,90,167								ditto	47	8,413	9,483	73,827	8 12 4	7·78	17	5,965	6,532	31,792	5 5 6	4 86
TOTAL, ...	1,457,795	21,37,999								TOTAL, ...	538	93,141	1,30,006	7,05,582	7 9 2	5·42	221	36,622	47,916	1,98,387	5 6 8	4·14
PERGUNNAHS.																						
Sarh Sulempore, ...	131,531	2,35,595								1860 to 1870	106	11,755	21,442	1,80,163	15 5 2	8·42	22	2,549	3,813	26,350	10 5 4	6·91
Sajmow, ...	170,710	2,95,853								ditto	136	18,535	34,502	2,20,545	11 14 3	6·39	18	4,677	7,697	18,829	4 0 4	2·44
Silhour, ...	126,645	1,90,831								ditto	58	7,989	11,549	98,460	12 10 2	8·53	33	5,850	10,033	40,187	6 13 10	4·05
Sussoolabad, ...	142,613	1,91,557								ditto	90	16,193	21,723	15,269	9 4 5	6·91	19	1,238	2,046	11,261	9 1 6	5·50
Akberpore, ...	117,624	2,09,695								ditto	150	19,242	27,466	1,39,876	7 4 2	5·25	59	6,931	8,901	41,548	6 0 0	4·59
Shatumpore, ...	215,086	2,94,250								ditto	117	24,199	28,082	1,80,319	7 7 2	6·42	28	7,123	8,009	58,709	8 3 10	7·33
Seorajpore, ...	174,535	2,75,375								ditto	125	13,181	19,652	2,03,234	15 6 8	10·32	36	4,054	6,725	39,420	9 14 6	5·86
Serahpore, ...	203,449	2,54,676								ditto	270	21,987	30,794	2,30,941	10 8 1	7·46	100	9,571	11,781	68,222	7 2 0	5·79
Shognipore, ...	175,602	1,90,167								ditto	89	12,791	24,968	1,30,152	10 2 9	5·21	30	5,150	6,883	28,970	5 10 0	4·20
TOTAL, ...	1,457,795	21,37,999								TOTAL, ...	1,141	145,672	2,20,169	13,98,959	9 9 7	6·35	350	47,201	65,888	3,33,496	7 1 0	5·06

APPENDIX D.

Comparative Statement of Product.

Zillah.	Pergunnahs.	IRRIGATED BY CANAL.												IRRIGATED BY WELL.																							
		WHEAT.						BARLEY.						WHEAT.						BARLEY.																	
		Quantity of Land Acres.			Produce in Grain.			Straw.			Quantity of Land Acres.			Produce in Grain.			Straw.			Quantity of Land Acres.			Produce in Grain.			Straw.											
		A.	R.	P.	Mds.	Srs.	Chs.	Mds.	Srs.	Chs.	A.	R.	P.	Mds.	Srs.	Chs.	Mds.	Srs.	Chs.	A.	R.	P.	Mds.	Srs.	Chs.	Mds.	Srs.	Chs.	A.	R.	P.	Mds.	Srs.	Chs.	Mds.	Srs.	Chs.
Cawnpore.	Ghatumpore, ...	0	2	0	6	15	10	9	2	12	0	2	0	6	0	13	5	33	3	1	2	0	7	29	9	14	12	12	0	2	0	1	20	9	9	27	1
	Sheorajpore, ...	0	2	1	4	8	8	4	32	0	0	2	1	6	0	0	4	8	8	0	2	1	5	34	0	4	32	0	0	2	1	7	14	0	4	32	0
	Rossoolabad, ...	0	2	0	7	7	8	8	2	8	0	2	0	5	25	0	5	38	0	0	2	0	7	13	12	7	17	8	0	2	0	6	22	8	7	32	8
	Akberpore, ...	0	2	0	5	38	8	8	20	9	0	2	0	5	15	12	7	1	11	0	2	0	6	32	9	9	14	12	0	2	0	5	21	7	7	15	4
	Derahpore, ...	0	2	1	5	0	0	7	1	4	0	2	1	7	20	0	5	25	0	0	2	1	6	8	0	8	5	0	0	2	1	11	28	12	13	0	0
	Bhognipore, ...	0	2	0	8	31	0	13	10	0	0	2	0	9	0	0	8	35	0	0	2	0	7	10	0	10	20	0	0	0	0	0	0	0	0	0	0
	Bilhour, ...	0	2	0	9	25	0	10	12	0	0	2	0	8	35	0	9	10	0	1	0	0	10	5	0	9	35	0	0	2	1	9	25	0	8	8	0
	Sarh Sulempore, ...	0	2	1	8	0	0	11	25	0	0	2	1	6	0	0	9	0	0	0	2	1	10	0	0	14	25	0	0	2	1	6	0	0	12	0	0
	Jajmow, ...	0	2	0	4	15	0	5	0	0	0	2	0	3	0	0	4	0	0	0	2	0	4	0	0	6	0	0	0	2	0	4	0	0	3	5	0

Zillah.	Pergunnahs.	UNIRRIGATED.																	
		WHEAT.						BARLEY.											
		Quantity of Land Acres.			Produce in Grain.			Straw.			Quantity of Land Acres.			Produce in Grain.			Straw.		
		A.	R.	P.	Mds.	Srs.	Chs.	Mds.	Srs.	Chs.	A.	R.	P.	Mds.	Srs.	Chs.	Mds.	Srs.	Chs.
Cawnpore.	Ghatumpore, ...	0	2	0	5	17	0	6	15	0	0	2	0	6	7	0	5	0	0
	Sheorajpore, ...	0	2	1	3	13	8	3	31	8	0	2	1	5	1	0	4	32	0
	Rossoolabad, ...	0	2	0	5	37	0	7	32	8	0	2	0	5	15	8	5	37	8
	Akberpore, ...	0	2	0	6	5	14	7	26	10	0	2	0	3	20	9	3	16	0
	Derahpore, ...	0	2	1	5	39	0	7	17	8	0	2	1	7	0	0	8	30	4
	Bhognipore, ...	0	2	0	4	22	8	5	10	0	0	2	0	4	25	0	4	35	0
	Bilhour, ...	0	2	0	5	8	0	9	20	0	0	2	0	7	5	0	6	10	0
	Sarh Sulempore, ...	0	2	1	5	2	8	7	0	0	0	2	1	4	37	0	4	20	0
	Jajmow, ...	0	2	0	3	0	0	4	0	0	0	2	0	2	25	0	2	0	0

APPENDIX E.

Sample.	Description of Grain.	Where grown.	Weight per Imperial Bottle.		Weight per Bushel.		Average Weight per Bushel in England.		Average yeild in Cawnpore District per Acre, fractions omitted.	Average yield in England per Acre.	Remarks.
			lbs.	ozs.	lbs.	ozs.	lbs.	ozs.	Bushels.	Bushels.	
1	Red Wheat, ...	Bundelkhund, ... Purchased in the Bazar.	4	0	94	0	63	0	20	33	*N. B.*—Samples 1 3, 4 are discolored, owing to the heavy rains this year, when the grain was still on the threshing floor.
2	Red Wheat, ...	Model Farm, Cawnpore. Seed from Mr. Robertson.	3	10	58	0	63	0	22	33	
3	White Wheat,	Cawnpore, ... Purchased in the Bazar.	3	15	63	0	60	0	20	30	Wheat at 16 mds. per acre.
4	Barley, ...	Ditto, ...	3	5	53	0	53	0	28	40	
5	Barley, ...	Allahabad, ... From English Seed acclimatized.	3	2	50	0	53	0	29	40	Barley at 18 mds. per acre.
6	Barley, ...	Cawnpore, ... From English Seed.	3	4	52	0	03	0	28	40	

Report by A. SHAKESPEAR, ESQ., *Commissioner, 5th Division* (*No.* 3441),—*dated Benares, 17th June,* 1872.

SIR,—I have the honour to forward, in original, replies from the officers noted in the margin to the Board's Circular T.T.T., dated 27th September last, on the subject of Permanent Settlement and the system of 30-years' settlement in force in the North-Western Provinces.

Mr. P. Wigram, Offg. Collector of Bustee.
„ J. Simson, Collector of Azimgurh.
„ J. R. Reid, Settlement Officer of Azimgurh.
Moulvie Nazeer Ahmed, Deputy Collector of Azimgurh.
Mr. A. R. Pollock, Collector of Mirzapore.
„ J. Lumsden, Offg. Collector of Benares.
Rai Buldeo Buksh, Deputy Collector of Benares.
Mr. W. Oldham, Offg. Collector of Ghazeepore.
Pundit Dabeepershad, Deputy Collector of Ghazeepore.

2. A copy of the Circular was sent to each Collector and to the Settlement Officer of Azimgurh. The Collector of Goruckpore has made no response. Mr. J. Simson

Collector of Azimgurh, states that his practical revenue experience has been too limited to enable him to submit any views of real value on the important points treated of in these papers; and Mr. Pollock, Collector of Mirzapore, had no new ideas to record on the subject. Mr. Lumsden, Officiating Collector of Benares, had not been able to give the matter sufficient attention and consideration to enable him to submit a report of the nature required, but forwarded a note on the subject by Rai Buldeo Buksh, Deputy Collector.

3. Mr. P. Wigram has given careful consideration to the questions raised, but he is in charge of a "backward" district, of which the settlement has only lately been revised, and where advance in every direction may be confidently hoped for in the future. He remarks on the extreme difficulty, not to say impossibility, of laying down a standard of average rates below which no settlement should be confirmed in perpetuity. He thinks it might eventually be advantageous to make a permanent settlement subject to a ratable increase in proportion to the rise of prices; but he would defer this until experience proved that rents had reached their limit, which is, as he remarks, postponing the measure almost indefinitely. He believes 50 per cent. for a temporary settlement is fair, but he would leave a discretionary power with the Settlement Officer. With regard to the operations of the rent-laws, he considers that they do in some measure restrict and delay the securing by the landholder of his full rents; and he notes that as the settlement of Bustee has only just been revised, there seems no necessity for canvassing the question of prospective enhancement of rent-rates as affecting a settlement, so far as that district is concerned. Finally, he strongly deprecates leaving assessments open to enhancement during the currency of a settlement, and would prefer to that a 10 or 15 years' settlement where railways or canals were likely to be opened.

4. Mr. J. R. Reid, an officer intimately conversant with the subject under discussion, and actually employed in revising the temporarily-settled portion of the Azimgurh District, is peculiarly well-qualified to afford valuable assistance to the Board and Government; and I am glad to find that in his letter dated the 29th ultimo, he has recorded his opinions distinctly on each of the points raised. The report is full of interesting facts and suggestions, which speak for themselves. Mr. Reid thinks it hardly possible to lay down a standard of average rates below which no settlement shall be confirmed in perpetuity; and he proceeds to support this view with reference to the circumstances of that part of the Azimgurh District now under re-settlement. The feeling which prevails in regard to the enhancement of rents is noticeable, but it cannot be expected that any such forbearance on the part of landlords should long continue. I would draw attention to Mr. Reid's belief that "were cultivating rights put in abeyance, landholders could, by merely letting competition take its course, run rents up to very much more than they are at present, or are likely to be, and at once obtain what are commonly called rack-rents." This indicates a remarkable demand for land, occasioned no doubt in a great measure by the increasing difficulty experienced among a large class of the population in obtaining any other better means of livelihood.

5. I can add nothing to what Mr. Reid writes in his fifth paragragh in regard to the inexpediency of having a permanent settlement subject to a ratable increase of revenue in proportion to increase of prices. That officer is decidedly opposed to such a scheme, and I entirely concur with him.

6. Mr. Reid would allow a certain discretion to Settlement Officers to deviate from the standard of 50 per cent. of rental assets, but he shows that in the Nizamabad Pergunnah, on the settlement of which he is at present occupied, the holdings are so small (an average of 13 acres), that increasing the burdens of the zemindars would be attended with great risk. He notes that in some cases he has fixed the Government demand at not more than 45 per cent., but he also remarks that there are occasionally instances in which, though the demand is more than 50 per cent., there is no hardship. He would in short leave a discretion with the Settlement Officer, and in such a matter I do not see why it should not be so.

7. Enhancement under the rent-law has not, Mr. Reid remarks, been much taken advantage of in Azimgurh, and where attempted, has encouraged the belief that rents of hereditary tenants cannot be touched. It has still to be seen how the decisions of the Settlement Officers will be regarded by the Civil Courts.

8. The inexpediency of making a settlement on theoretical grounds, and adjusting from time to time, has been noticed above, and is equally applicable to temporary as to permament settlements. In connection with this part of the subject, Mr. Reid has recorded what appear to me some valuable remarks and suggestions. The conclusion arrived at is that the present system of settlement should stand.

9. Moulvie Nazeer Ahmud in his memo. does not enter into details, but his opinions are plainly enough given. He writes,—"I therefore should like the permanent settlement to be discussed no more, at least for the present generation." He would adhere to 30 years' settlement for the present, but thinks that "perhaps after one or two renewals of assessments, 50 years will be a fair time to let the people rest:" "as for altering the proportionate value of the Government demand, it is the worst thing that can be advised."

10. Rai Buldeo Buksh, Deputy Collector of Benares, in his memo. calculates the net income of zemindars at 30 per cent. of the gross rental, and considers that this amount of profit could not be reduced. He would, as a remedy for the present state of things, abrogate the Hindoo law of inheritance, and the right to claim partition, and substitute the law of primogeniture. He would not allow any option to Settlement Officers to deviate from the 50 per cent. rule. He would simplify the rent-law, and exercise a very strict watch over putwarees' papers, and make lumberdars responsible for their correctness. He entirely disapproves of a system of assessment based on speculation or prospective rent-rates, but he would make an exception in favour of irrigation canals. He thinks no general standard of acreage rates, below which no settlement should be confirmed in perpetuity, can be laid down for a large tract of country, but that it might be done for each separate district; and as to Benares, he considers that except in regard to some right-of-occupancy-tenants, rents have reached their highest limit. He is altogether opposed to the open permanent setttlement, and equally so to assessments in kind or accor ling to the market value of grain.

11. Mr. W. Oldham has not attempted to discuss the questions in order, because he considered that most of them could be "satisfactorily answered only by an officer of large experience in the non-permanently-settled districts." He then proceeds to record instances in support of his view, that "a permanent settlement of the North-Western Provinces would be a measure unwise, unstatesmanlike, and after having caused heavy pecuniary loss to the State, likely at some future time to be upset."

12. Pundit Dabeepershad's views do not materially differ from those recorded by the two other Deputy Collectors. He considers a standard average rate, below which no settlement should be confirmed, to be impracticable; and "a permanent settlement, with a ratable increase of jumma for a certain number of years, would lose the character of permanency." He would retain the present half-asset rate, but give the Settlement Officer discretion to vary it for reasons to be assigned. He remarks that "rent-laws to a great extent restrict the full demand of revenue to which Government is entitled, and this cannot be remedied until the right of occupancy of cultivators be altogether done away with; but he sees no reason why such rights should now be disregarded."

13. With the exception of the report furnished by Mr. J. R. Reid, I fear the opinions forwarded herewith will not be thought of much value as helping towards an elucidation of the important points under discussion, but it will be remembered that this Division is peculiarly circumstanced. Three of the districts and a part of a fourth are permanently settled. A portion of Azimgurh is now undergoing revision, whilst a 30 years' settlement of Gorruckpore and Bustee (both backward districts) has only lately been concluded. Mr. J. R. Reid was thus the only officer in the Division who could be specially looked to to devote to the subject such an amount of attention as could alone entitle any opinions to consideration in a matter so important.

Report by WILTON OLDHAM, ESQ., L. L. D., *Officiating Collector, Ghazeepore, dated the 24th October*, 1871.

2. I SHALL not attempt to discuss in order the points mooted in the circular, because most of the questions could be satisfactorily answered only by an officer of large experience in the non-permanently-settled districts, and this experience I do not possess.

3. I am inclined to think that, in the history of our administration, every attempt by the government of one period to bind irrevocably the actions of all subsequent governments has had two results.

I.—Serious injustice, inconvenience, or loss has ensued; and

II.—It has been ultimately found necessary in a greater or less degree to set aside the intentions of the preceding government, and to change a policy formerly declared irrevocable.

4. It may perhaps not be out of place to mention a few instances when this has occurred.

I.—In 1781 A.D., after Cheit Sing's rebellion, a perpetual settlement of the whole Benares province was made with Rajah Mahoep Narain and his descendants at 40 lacs of rupees. A few years later this settlement was considered so unjust towards inferior proprietors that pressure was put on the Rajah, and he was induced in 1794 A.D., to give up the proprietary right in the province conferred on him 13 years before.

II.—In 1784 A.D., and thereabouts, perpetual grants of land and pensions were conferred by Warren Hastings on various Rajahs and Chiefs in the Benares province. In 1789 A.D., these were changed by the Government of Lord Cornwallis into life-estates.

III.—In the Settlement of 1795 for Benares, and of 1803 for the Western Provinces, auction-sale of land for default of revenue was established, and it was declared that the exclusion of the old proprietors should be perpetual. A very large number of the auction-sales were a few years afterwards cancelled by the sale commission. I am myself convinced that our only hope of securing the permanent loyalty of some of the most warlike and numerous of the Rajpoots, Bhouhar, and Mussulman tribes lies on their re-instatement in the hereditary property of their tribe, which was lost through the fault or misfortune of individuals years ago, who had, it may be held, only a life-interest in the land, and no power of alienating or forfeiting it for perpetuity.

IV.—It has been determined by the highest authorities that the recently imposed acreage-tax and the road-cess in Bengal do not constitute any breach of the permanent settlement. But the principle has been announced in some quarters, that the present loss of revenue caused by the permanent settlement of 1793 A.D., and 1795 A.D., is so large, that justice and expediency alike demand that they should be set aside. The Natives, for the most part, are of opinion that this has been already done by the laws imposing cesses. However erroneous this opinion may be, there is, I think, room to doubt whether, if the authors of the permanent settlement had been able to foresee the passing of the law imposing cesses, they would have enacted the first clause of Section X. of Regulation I., 1793, in precisely its present form.

5. As from these and other cases which might be cited, it appears that, as a rule, harm and inconvenience has resulted from every attempt to limit the freedom of action of subsequent Governments, it appears to me in the highest degree probable that precisely the same results will ultimately ensue, if any attempt be now made to bind our successors for all future time by declaring perpetual the settlement of any portion of the North-Western Provinces.

It may be thought that the knowledge now possessed is more complete, and our prescience of the subsequent course of events more certain than was that of our predecessors. That this is the case may readily be admitted, but still experiences show every

day that the most complete knowledge often is proved by subsequent events to have been defective, and that the most confident expectations are liable to be falsified by time.

6. On these grounds, I am of opinion that a permanent settlement of the North-Western Provinces would be a measure unwise, unstatesmanlike, and after having caused heavy pecuniary loss to the State, likely at some future time to be upset.

Report by RAI BULDEO BUKSH, *Deputy Collector, dated the 6th November*, 1871.

BEFORE entering on the subject of permanent, I propose first considering the terms of temporary settlements, and with this exception proceed to examine each point in the order it stands in the Board's letter:—

RESPECTING TEMPORARY SETTLEMENTS.

2. I.—THE present standard of assessment at 50 per cent. of the gross rental is, I think, as highly as can safely and expediently be raised; at this rate the net income of the zemindars amounts to only 30 per cent., as per following detail:—

50	per cent.		Government Jumma.
5	,,	,,	Government Cess.
3½	,,	,,	Putwarees' Fees.
2½	,,	,,	Lumberdars' Fees.
5	,,	,,	Unrealisable balance from various causes, indigency, or insolvency of tenants, bad seasons, &c.
4⅜	,,	,,	Miscellaneous village and collection expenses and taxes, &c.
70	,,	,,	Total of expenses and Government demand.
30	,,	,,	Balance, the net profits of the zemindars.

This, divided among a large number of shares in petty estates (as the case generally is), would have scarcely provided a sufficient amount for their maintenance had it not been supplemented by the proceeds of cultivation, &c.,

3. To reduce this percentage of net profits in the present state of the Hindoo law of inheritance, by which land is equally divided among the sons of the deceased, and under the existing law for partition, which affords facilities for the sub-division of estates and shares without any limit, would be almost to deprive the proprietors of the substantial benefits of their inheritance, and to leave only a nominal interest in their property.

4. The old Hindoo law of dividing real property was framed at a time when uncultivated land was in abundance, and an individual could occupy and reclaim as much of it as he would and could, in addition to his ancestral share of the cultivated land. But it is not suited for the present requirements and circumstances of the country. Could this law and its offspring, the act of partition, be substituted by the law of primogeniture, or any other, by which ancestral landed property could descend intact to one individual without sub-divisions, the Government could in that case be in a position not only to raise the present standard of their assessment to a somewhat higher rate, but to cause a real and material improvement, and to impart a high tone to the character of the community at large, by compelling indirectly the younger sons of a family to leave their homes and slothful habits, and to employ their energies in seeking other lucrative and useful occupations, which are now neglected.

5. Should the old law and usage of the country continue to be respected, as it has hitherto been done, even then the present rate of assessment is the highest that could be exacted. By old Hindoo law, the share of Government in the produce of land is one-sixth in ordinary times, raised to one-fourth in the time of war or any other emergency. The fifty per cent. of the gross receipts of the zemindar, who generally (whether by bhaolee, bataee, konkoth, or nukdee and zahtee) gets one-half of the actual produce of land from the cultivator, is just the one-fourth part, that is, the largest share at the highest rate Government can receive in the time of emergency.

6. The fact of some of the great despotic Mohamedan conquerors, or of any avaricious petty Hindoo chiefs, sometimes having squeezed out more than the above rate, cannot be cited as a proper precedent for a just and enlightened Government; for it was considered rather an exception than a rule, an oppression and an aggression against the laws of country, justice and equity, which was always being evaded by the weak, and resisted by powerful subjects by every means in their power.

7. The fifty per cent. share of rental assets at present left to the proprietors, considering the number and amount of expenses they are obliged to undergo, is not excessive, and I cannot, therefore, recommend the expediency of allowing option to Settlement Officers of changing that rate at their discretion.

8.II.—I do not think the operations of the rent law result generally in restricting the full demand for land-revenue to which Government may fairly be entitled, but it must be admitted, that considering the ignorant and uneducated class of persons for whom it is intended, the law is rather nice and intricate, and some of the doubtful points (especially those connected with right-of-occupancy tenants, and resumption of invalid mâfees) and variously interpreted by the lawyers, making its operation rather uncertain, added to the great expense attendant on the institution of cases under it in courts, discourage the people from benefiting from it so generally as they otherwise would. The remedy to remove the evil is to simplify the law as much as possible, so as to make it clear and comprehensive to those whom it concerns, and to diminish to the minimum the expenses attendant on it in courts.

9. Another chief cause overlooked by the Board, which adds to the difficulty of successfully prosecuting cases under the rent law in the permanently-settled districts; and which mainly operates against the exertions of settlement officers in discovering the true assets of estates in temporarily-settled districts, is the generally incorrect state of putwarees' papers. The payment of putwarees through the Tehsildar by zemindars though useful in many respects, has disturbed the old relations existing between them. Formerly the cultivators were the victims of putwarees' intrigues with zemindars; now for want of any organized and efficient agency for their supervision and the testing of their papers, all parties, including Government, are sufferers at their hands.

10. I must not be understood by the above to be an advocate for lapsing to the old system of putwarees being paid direct by the zemindars, but all I recommend is that the latter (who now in a measure consider themselves released from all responsibility respecting putwarees' papers) be legally made to take more active interest in their village accounts. Why should a banker or merchant be punished for uttering a false account book of his trade, and not a lumberdar for that of his rents? Some distinct law making zemindars, or at least lumberdars, responsible for the correctness of the papers of their accountants, the putwarees, is, I think, very much needed. The amount of losses which Government suffers through the untrustworthiness of village papers, and the extent of mischief which is caused by it to others, does not appear to be fully known to the generality of officers.

11III.—This is a local question, and cannot be discussed generally; however, it seems to be very undesirable to add to the certain burden of the proprietor, who, as has been shown, does not get more at the present rates than is barely sufficient for his maintenance, on any insufficient and uncertain grounds, or on a mere caprice of Settlement Officers, some of whom may not be over-indulgent in their estimates.

12. It is generally believed, and to a certain extent is a fact, that in temporarily-settled districts, at, or a short time before the expiration of the term of settlement, the proprietors cease raising the rents of their tenants, or of bringing new land under cultivation, but as soon as the assessment of Government demand is made on the existing assets, the cultivators are called upon to contribute their quota to the increased jumma for which the proprietors had been made to engage, and rents are at once raised either by the consent and sufferance of parties concerned, where that is practicable, or by the

course of law, where that is necessary. In such clearly-proved attempts to defraud the public of its proper dues, the Settlement Officer may be permitted, after his reporting the case, with statistics and reasons for his opinion, to the Board, and after hearing is given to the defence of the proprietors, to assume a small enhancement of rent-rates, say up to five per cent., on the existing rates in the calculation of his assessments.

13. I cannot recommend the expediency of assuming, at the time of settlement, any rise in rents which may be speculative and prospective only (with the above exception, which must be based on facts), with the view of taking for an indefinite term of years a larger share than is usual of the existing rental assets.

14. The real cause for congratulation to the people, and the sources of prosperity under the British rule, as contrasted with the former Governments, and felt by the generality of the ignorant masses, unaccustomed to thinking, is, that while the latter harrassed them with annual *tushkhees*, assessment made on insufficient or fictitious grounds, burdened them with numerous oppressive *abwab* cesses, and, in the realization thereof, subjected them to the most rapacious underlings, in whose hands neither their persons nor property were secure. Under the former, although this last evil is not quite extinct, yet once they had the settlement of their estates concluded, they were free from the two former; enjoyed long, if not permanent, leases based on real facts (which in truth were long terms of peace and happiness), and had to pay a few and fixed cesses. Should the system of assessment, based on an assumed speculative and prospective rent-rates be introduced in settlements, should the terms of temporary settlements be very much reduced, though there may be some inconsiderable increase of the Government demand, yet it cannot very likely fail to be at the expense of the contented feelings of the majority of the people, and may add to the evils complained of the former Governments, the hardships of punctual and regular realization of the dues, and of the penalty of forfeiture.

15. The operation of an ordinary settlement takes such a long term of years to complete it thoroughly, causes such an extra drain on the mental peace and bodily comfort, and the moneyed resources of the people, that after its conclusion they are most in need of those comforts and enjoyments which an undisturbed long term of settlement, with moderate assessment under a good Government, can only confer.

16. IV.—For the reasons above stated, I would not advise the expediency of leaving the assessments open to enhancement or to re-adjustment, during the term of temporary settlement, contingent only on the diminished value of the precious metals, the creation of new centres of consumption, or the increased facilities of communication. The loss occasioned by the former may in a way be made up by additional appropriate taxes, and that by the two latter, by introducing some kind of town or transit duty in the locality where it may be needed.

17. The case with irrigation canals is different; their construction costs a great deal, and they are directly instrumental in imparting fertilizing influence to the soil, and increasing its productive powers; a clause as to the readjustment of jumma, consequent on the opening of new canals of irrigation, may be inserted in the settlement administration paper. In other cases, leaving temporary settlements open to enhancement of jumma, howsoever just the measure may seem to be, is likely to deprive the people of the peace and tranquillity of the mind, and is sure to keep them in a state of dread and suspicion, which, succeeding anxieties they have been suffering while the settlement was being made, must be very distressing. And after all, in many cases it may be difficult to carry out those measures of enhancement so judiciously and carefully as to avoid hardships, and at the same time to assess a reasonable amount.

18. Besides, the system of short temporary settlements, or of open temporary settlements, liable to the enhancement of jumma during its term, on the increase of rental assets, is not likely to yield nearly as large a revenue as it may be at first expected by the most sanguine calculations. For, as has been stated in a preceding paragraph, by most of the proprietors discontinuing to take interest in the improvement of their

estates, and the enhancement of rents during and about the close of a term of settlement very little (generally not more than a third of the term) will be spent in the development of the resources of the estates, and even during that, they cannot but be indifferently managed. Such a state of things, and the amount of expenses generally incurred in settlements, cannot ultimately contribute to any large gain to Government.

19. With these considerations, and with some little experience of the state of things, I would rather like to secure the contentment and satisfaction of the great masses of the people, and their faith in the acts and intentions of Government, though it be at an apparent temporary and trifling, but a mere assumed loss of revenue, the mere amount of which, as the Board wisely observe, "is far from being the only test of a sound system of assessment."

Respecting Permanent Settlement.

20.I.—No general standard of average rates below which no settlement should be confirmed in perpetuity can, I think, be laid down for a large tract of country, but for each separate district, it may be ascertained by the means suggested by the Board, whether the rents in it have reached their full present limit, and whether the district has passed through the "transition state."

21. As for Benares, and some other permanently-settled districts, to which my experience is limited, I can say that the rents which could be raised (with the exception of some of right-of-occupancy tenants, who have not been properly dealt with on account of the ambiguity and intricacy of the law relating) have reached their highest limit.

22.II.—I have already recorded the disadvantages of a temporary settlement open to the enhancement of jumma in certain cases, and am of opinion that the same apply with equal force to the permanent settlement. The two conditions (relative to the percentage of cultivated area, and the improved state of irrigation and connection) supplemented by a third, that the district should have passed through the "transition state" should, I think, be sufficient to secure to the State its due share, and at the same time not to dry the source of wealth and prosperity, by leaving a sufficient residue to the proprietors to induce them to take interest in the improvement of their property.

23. The evils of the so-called open permanent settlement are so great that it would rather be preferable to reduce the net profits of the proprietors somewhat below 50 per cent. (which they now receive, as shown in para. 2) and down to 25, than to keep them for ever in a state of anxiety, in the dread of vexation and expense, and indifferent to the welfare of their estates.

24. The assessment in kind instead of money, or the realization of its value every year according to the market rates, though an old practice with Native Governments, is subject to the same evils to which non-fixity of the Government demand in perpetuity has been shown to be.

25. The principle of dealings with the generally ignorant and uneducated class of the rural population ought to be to avoid all niceties and intricacies, and to make such simple rules of practice which may be comprehensible by them. The diminution of the value of precious metals and similar theories, though quite correct, seem to be beyond their intellect, and liable to create unnecessary suspicion and distrust.

Report by Percy Wigram, Esq., *Offg. Collector of Bustee, No. 257A., dated 4th November, 1871.*

2. I have only embodied in this my general opinions, and have not given details as regards this district, because it seemed to me useless to do so. Much of the land is but recently reclaimed, and communications are still so deficient, that there can be no doubt that the district is as yet only in a transition state, and not nearly fit for permament settlement; whilst, as the settlement was revised only ten years ago, any statistics now compiled would be useless before required. Should you however wish it, I will of course collect information.

3. Six questions are raised in the enclosure to your circular, *viz.*, the Board's No. III., dated 27th September, 1871.

4. In para. 3 it is asked—

I. Whether it might be possible to lay down some standard of average rates below which no settlement shall be confirmed in perpetuity.

I believe that this could not be done for the North-Western Provinces generally. The area is so vast, and the conditions and nature of the different districts so varied, that it would be far better to do so, if at all, for portions as they appear to approach the height of prosperity.

5. The great example of increased rents just now is the Boolundshuhur district, and perhaps a rate might be fixed for this and the adjoining districts. But even here is it not difficult to say whether the highest range has been reached, and whether a still further increase may not be expected? Are there even here sufficient data?

6. Again, the standard must differ according to the nature of the soil and the class of crops grown. I have seen nearly as fine wheat crops grown on the black soil of Humeerpore, without irrigation, as in the light soil of Oudh, with three or four waterings. The introduction of a canal into the latter would, I believe, be of far more advantage to the cultivator than in the former. Here in Bustee, again, the danger of loss is far more from too much water than too little. The whole country is covered with water almost every year, which remains in countless jheels and swamps, and gives abundant opportunity for irrigating the rice.

7. How again can one standard be applied to many of the Bustee fields, which, if too heavily flooded during the rains to allow of the usual rice crop, are left in prime order for wheat, and the Bundelkhund fields, in which bajra or jowar have been ruined by scanty rains, and in which it is then too late to sow anything more that year.

8. I could multiply examples, but these seem enough to show the difficulty of applying any general standard.

II.—In the end it may be advantageous to make a permanent settlement, subject to the condition of a rateable increase in proportion to the rise of prices. This would do away with the very heavy expense to which Government is put from time to time in paying the necessarily large Settlement establishment. It would also avoid the check to advancement, which always attends the revision of settlement.

9. But I believe that the time for this is yet very far distant. I would not venture to advocate it till we find that the increase has reached its height, and I do not see how we are to do this except by actual experiment. That is to say, if it be found that the rent-roll of a district, settlement of which is now under revision, be now the same that it was when the last revision took place, and if, at the end of the settlement now made, it still remain the same, or has only varied in proportion to the increase of prices, then, but I fear not till then, should such a permanent settlement as is proposed be introduced.

10. This is I am aware postponing a permanent settlement almost indefinitely, but I do not see what else can be done. In some respects Government is a landlord, and would any landlord in England bind himself generally to a fixed rent in perpetuity on his land?

11. In para. 4 the present system of temporary settlement is discussed, and on this my opinion is shortly as follows:—

I.—50 per cent. is, I believe, a fair standard for both parties if fairly assessed, allowing the zemindar a fair margin with which to make improvements, or to cover losses on bad seasons, but not too much; it would be impossible to fix any hard and fast rate. This is a point which must be left in a measure to the judgment of the Settlement Officer, and if he be as well selected as Settlement Officers generally are, he will be able to show good reasons whenever he proposes to exceed this an appearance.

12. Assuming that the present rent-roll has been really ascertained, and that putwarees' papers have not been trusted too much, an error which every good Settlement Officer will avoid, there may be cases which fairly justify an increase being assumed.

13. Suppose the case of two districts in one of which the settlement was revised five years ago, and in the other revision is just beginning; the conditions of the two classes of soil, nature of tenures, &c., are the same in both, and until five years ago their progress was equal; but in the former there has since been considerable increase, whilst the latter has remained stationary. If this could all be shown, as a good officer could show it, there would be very good reason for thinking that the landlords in the second district were purposely delaying to raise their rents, and a far higher assessment than 50 per cent. on the present assets might be fixed.

14. Or again, the low rates may be owing merely to the apathy of the zemindars. They originally let at fair rates, as high as they could then get, and were fairly assessed thereon. But many a man in this country, if he gets a sufficient income to live on, does not care much to increase it at, in the first instance, considerable trouble and expense to himself. But if the Government demand be raised, he will find himself straightened, and will then exert himself and raise his rents, and this process once begun will go on till his assets reach the fair level.

15. I write with diffidence; but can this be the case in pergunnah Baghput?

II.—I believe that in practice the rent laws do restrict the amount which the zemindar can get from his tenants, and in districts which are backward as this is, delay the period at which he gets his fair rents. As an instance, it was only last month that I had before me a case in which a landlord had in two consecutive years raised the rents of all his tenants. This he had done by calling all together, and telling them that he meant to increase the demand. The ordinary tenants agreed and paid, but those with right-of-occupancy refused to pay the increase, and as his procedure had not been according to law, he had no remedy against them. He will now do what he should have done before—bring eight or nine suits to enhance the rent, and in all probability win them; but he has lost two years' profits.

16. Theoretically I do not think that the laws are any bar, for when a case is brought before the Court, I believe that rents of tenants, with right-of-occupancy, will be raised to what is fair and equitable, and I for one would gladly accept the Settlement Officer's calculations as a very good standard for judging what is fair. I would not, of course, blindly accept them; they would be a great assistance. But practically there is always the difficulty, delay, and expense of bringing a suit.

III.—I have in a measure touched on this under No I. The extent to which future enhancement of rents may be calculated on is a most difficult point to decide, and it is here that the judgment of the Settlement Officer will be particularly tried. There is, I suppose, not a district now under revision of settlement in the provinces in which rent-rates will not probably rise during the next 25 or 30 years, but to what extent will it be, and how soon? We have a perfect right to calculate on this, and to allow for it, but the task is a most onerous one.

17. In this district there seems no necessity for opening the question as the settlement has been revised, but in others the most careful comparison with neighbouring or similar tracts will be necessary.

IV.—I would strongly deprecate the plan of leaving assessments open to enhancement as tending to unsettle and disturb the minds of landholders. In most cases the causes referred to will probably only come into operation gradually or partially, and the gain to Government would not be great. The two causes which would act suddenly and very widely are canals and railroads. But these are not the work of a day, and can be foreseen generally. I would far prefer a short settlement for ten or fifteen years on the openly-avowed reason that by that time a railway will be opened, or a canal in working order, to one which would keep the zemindars in constant uncertainty.

18. The repaid advance in prosperity of the country renders operations more complicated, and throws increased difficulties in the way of those who are labouring to carry out a perfectly fair and just settlement for both sides, but the principles remain the same, and I believe that there is no better plan of operations than the old system, which, founded at first by most able men, has been year after year improved by the successive labours of selected officers.

Report by J. R. REID, ESQ., *Settlement Officer of Azimgurh, dated 29th May,* 1872.

2. PARA. 3, SECTION I. OF THE BOARD'S CIRCULAR.—The first question asked by the Board is, whether it might be possible to lay down some standard of average rates below which no settlement shall be confirmed in perpetuity. I think it hardly possible to do so. On general grounds, and looking to the past, it would be rash to say what the next 30 or 40 years may bring forth. Those who had to do with the Settlement of Azimgurh 35 or 40 years ago thought that the Government demand assessed upon the greater part of the district was as much as it would ever bear. The demand will probably rise at the present revision more than Rs. 2,00,000, the rate of the demand being as high or higher than it was at last settlement. The opinion held by Mr. Thomason and others was, no doubt, due in part to a misconception of the amount of land still available for cultivation, and a belief that the increasing pressure of the proprietary population on the land, would prevent any enhancement in the share of the profits of it taken by Government. But it was mainly due to inability to foresee the opening out of the country, and the fall on the value of money. Who shall say what, for the better or worse, may come to pass in a future period of the same length?

3. There can be no doubt that of late years some rise in rents has taken place in this district. There has been a corresponding rise in the price of landed property. I am unable to say what the average increase in rents which have been raised has been. But in Pergunnah Nizamabad, which fairly represents the temporary-settled parts of the district, the rise over the whole area of the pergunnah is estimated at 6 annas an acre. In that pergunnah the average price rate of landed property at the close of the settlement, which has just expired, was more than double the average rate which obtained 30 years ago; part of this increased rate is due to the greater area under cultivation, and consequent gross enhancement of the profits derived from such property. But as the cultivated area has been extended only about 30 per cent. of the old area, part of the increase in the selling price of property must be due to other causes. Among these, relative increase in the profits is probably one. In reporting on the proposed revision of the settlement of the pergunnah, I have said that consciously to the people, rise in the price of produce or increased money profits from the same land has not caused the rise in rents. The one reason that the people assign for it is increase in the number of those who must cultivate the land. But the price of produce is more by 50 per cent. than it was at last settlement; and though the people do not see it, the fall in the value of the money they pay as rent enables some of them to pay somewhat enhanced rents, and be in no worse condition than they were at last settlement. In this district the sense of cultivating right is very strong, both landholders and tenants believing that the rents payable by old tenants, especially those of high caste, cannot be raised during the period of settlement, and perhaps not even at the commencement of a new settlement. In reference to the enhancement of their rents, one is constantly met by old tenants, with the objection that the increase in the Government revenue is made because of increase in the cultivated area, and that rates which have been paid for the same land for 60 or 70 years should not be altered. Partly, perhaps, in consequence of the feeling described, the enhancement clauses of Act X. of 1859 have never been properly worked in this district. In presence of these facts, it is needless to say that enhancement of rents has been partial; that rents which have not risen will rise, and those which have risen may rise still further. Up to the present time "rents have certainly not so generally risen with prices as to render a further rise unlikely in view of the probability of prices remaining stationary."

4. But it would be unwise in this part of the country to guess at the extent to which, with reference to the enhanced present or future price of produce rents may go up, and to make an assessment on the estimate. The ability of the agricultural population to pay enhanced rents is by no means proportionate to the rise in the price of produce. I cannot doubt that there is some truth in the common story, that because the number of those who must depend immediately on the soil is relatively greater than it was, the demand for land is keener. The denseness of the agricultural population in this district is a well known fact, and needs no figures to illustrate it. I believe that were cultivating rights put in abeyance, landholders could, by merely letting competition take its course, run rents up to very much more than they are at present, or are likely to be, and at once obtain what are commonly called rack-rents. As the people say, how else are they to obtain a livelihood but by cultivating and holding land. Emigration, if possible, will be accepted by them only as the very last resort. The margin of land still available for cultivation—though on the average of some extent not much less than 20 per cent. of the whole culturable area—is of the very poorest kind. A great rise in rents therefore, and diminution of the small means, which the majority of the agricultural population has, are not desirable, and any forcing of them on the part of Government, in the way of the fixing of theoretical standard of rent, is to be deprecated, even at the risk of losing a permanent settlement.

5. PARA. 3, SECTION II. OF BOARD'S CIRCULAR.—If a permanent settlement is not to be based upon the nearly existing assets of the land, it would be better not to have it at all. The plan of settlement suggested in para. 33 of the Government of India letter will not commend itself to the people of these parts. As already said, it is on increased cultivation, not on increased price of produce that they think Government entitled to take enhanced revenue. No landholder thinks himself ill-used if the cultivated area of his village having been largely extended, his revenue is raised in proportion; but no one appreciates the argument that because produce now sells at a half more than it did, rents and revenue should go up. I beleive that they would not willingly have anything to do with a settlement which should render them liable to periodical adjustments of revenue according as prices rose. In their eyes it would not be a permanent settlement. They would never be convinced that prices had not risen because the produce of their fields was less than it had been. And it would be, in fact, a difficult matter for Government always to distinguish how far rise of prices might be connected in particular localities with scarcity, and therefore not be a fair ground for enhancement of its demand. Besides this, there would be the hopeless practical task of adjusting the relations between landlord and tenant. Without receiving increase of rent, the former could not of course pay increased revenue. Those only who have served in this part of the country can realize the trouble to landlord, tenant, and official, that would arise from a universal periodical adjustments of rents. The average size of proprietary holdings in the district may be taken at 13 or 14 acres, the average size of tenant-holdings at 3 acres. Tenants would certainly never come to see the justice of the principle, and many of them, the high-caste Hindoos and the Mohamedans, at least, are able to delay and resist the small zemindar in realizing his rent. On the other hand, low-caste tenants are much in the power of the zemindars, and the exactions that would fall upon them would be great. I believe that if in place of leaving rent and revenue to vary as is proposed, Government, as it once did, were now to empower its Settlement Officers in this part of the country to fix for the tenant the demand to be paid by him to the zemindar for the period of settlement, it would do well. The majority of landlords see no hardship in this, and tenants look on it as their right; of the three parties concerned—the State, the landlord, and the cultivator,—the last is the man whose necessities demand that the benefit of any rise in price should be given to him.

6. PARA. 4, SECTION I. OF THE BOARD'S CIRCULAR.—In this district the assessment of revenue, made 35 years or 40 ago, was not up to the standard of 66 per cent. of the rental assets. From what I have seen in five pergunnahs, I believe it to have been between 50 and 60 per cent. of the assets. That is, the assessment then made was, if anything, at rather a lower standard than we now fix the revenue and all cesses at.

The assessment has worked well. There have rarely if ever been balances requiring a transfer of estates by Government, and compared with many western districts, the proportion of landed property which has passed from the landholders with whom the settlement was made has been small. But, on the whole, I believe that a higher than the present standard of assessment cannot now be set up. There are no very certain statistical reasons to present in stating an opinion on this matter. In the earlier period of English rule, a large part of the landholding rights in this district was sold for arrears of revenue. There are no records available from which to judge of the causes of this, and in what exact proportion the rights sold were those of cultivating proprietors and of mere rent collectors. They were, I believe, chiefly the rights of cultivating proprietors, and it is commonly supposed that the revenue demanded from these proprietors was more than they could pay. But putting aside the consideration that, from inexperience of the power of their new masters, insubordination on the part of the zemindars had much to do with default. I admit that latterly my experience has led me to believe that much of the difficulty of collecting a full jumma from numerous cultivating proprietors has been and is due to imperfect records, and a faulty mode of collecting. Even at the present day, in estates held by petty proprietors, these men are very much in the power of two or three cunning members of their communities, and of the putwaree and subordinate tehseel officials. One of our great objects in this district at the present settlement is to let each sharer, however small, know exactly what he must pay to Government, and he should be allowed to pay it to Government *on his own account*, and with his own hand. Experiment would alone show what rate of assessment might be demanded under those circumstances. But it would certainly be higher than under the present system of putwarees' *bachhes* and common accounts. Again, it may be said, that if sub-proprietors under the talookdar can pay to him the Government revenue and malikana besides, why should not the man who pays direct to Government be able to pay an equal sum. Of the Fyzabad District in Oudh two-thirds are settled with talookdars, and one-third out of the two-thirds has been decreed in sub-settlement. The Oudh settlements have been made on the principle of taking a share of the *rental* assets, just as our settlements in these provinces are. The sub-proprietors are supposed to retain less than 30 per cent. of the rental assets. They are men in the same condition of life as our Azimgurh petty zemindars. If those subsist on 30 per cent. of the rental assets, why not these?

7. The answer to the latter argument is that it will be time enough to speak of the Oudh sub-proprietary settlements. After we have seen more of their working, or in the next generation, when, after the abundant waste that still exists in Oudh has been broken up, a fresh settlement is made on the same principles. And I cannot but feel, for this part of the country, the force of Mr. Colvin's argument. The assessment made 35 years ago was a demand at a certain proportion of assets for a very short time. In Pergunnah Nizamabad in this district, the cultivated area has been increased by 30 per cent. since last settlement. I profess now to have made an assessment at about the same standard as the last. But I know that the landholders, as a body, cannot now ease off much of their burden by taking up new land like that which they have brought under cultivation in the last 35 years. I believe that the new assessment will bear more heavily on them than did the old. I am most decidedly of opinion that great as the rise in the money-value of produce has been, little increase in the comfort of the agricultural community has taken place. The reasons for this are, that much of the profit that should go to the agriculturist goes to the money and grain-lender, and holdings of all sorts are so small, that any of the enhancement on profits that goes to the agriculturist is frittered away, and makes litte sensible difference to the individual recipients. I am not competent to judge whether a permanent or further fall in the value of the precious metals and increase in the value of produce are likely. But assuming them to be likely, and judging from the past, I should say that Government ought not count on them as being a counter-weight to the decrease in the area of culturable waste. And if they are uncertain, let it, looking to the great interest at stake, try no experiments, but be content with the revenue, which an assessment at 50 per cent. of the rental assets will give.

8. Discretion may be given to Settlement Officers to vary to a certain extent—say 10 per cent. either way—from the standard of 50 per cent. of the rental assets. As far as I have seen in this district, there are few zemindars that are mere rent-collectors, from whom a higher rate of revenue can be demanded than from the ordinary petty proprietor, who himself cultivates all or most of his holding. Indeed, the petty rent-collector cannot bear enhancement of revenue so well as the cultivating proprietor. I again take Nizamabad as a representative pergunnah of the 12,273 zemindars of the 1,150 villages of the pergunnah,—

17 hold one entire village each.
7 hold 2 entire villages each.
1 holds 3 entire villages.
1 holds 4 ditto.
1 holds 8 ditto.
1 holds 9 ditto.
1 holds 10 ditto.
2 hold from 11 to 15 villages each.

The rest hold in partnerships varying from 2 to over 100 persons, and the average share of cultivated land of the whole pergunnah that falls to the zemindars of it is 13 acres. It is clear that there are very few landholders who should be treated less liberally than their neighbours, because of their being large proprietors. On the other hand, cases of small proprietors occur, in which, from the great and intricate sub-division of the land, it seems unwise to take 50 per cent. of the assets, when the rise in the demand is great. I have already stated a conviction that some of the difficulty attending the payment of a full revenue by such proprietors may be obviated. But in any case, the assessment of revenue upon their estates must be the most trying duty of the Settlement Officer in this district. However anxious to get for the State its full due, he must feel how serious to a number of poor proprietors may be the consequences of a heavy rise in the demand. The determination of what they can and cannot bear must always be more or less of a guess. It would be impossible to lay down any rule to guide officers in such cases. They must act to the best of their judgment, and Government must trust to that. In this district I have in some such cases, with the consent of superior authority, fixed the Government demand at not more than 45 per cent. of the assets, because I believed that more could not safely be taken.

9. There is one class of cases, however, in which a rule might be laid down. Occasionally the existing demand is more than 50 per cent of the rental assets, and is paid without difficulty or special hardship. In such cases the demand should not be lowered merely to fit the standard. Habit has something to do with the payment of both rent and revenue. Every Settlement Officer must have seen cases of estates in which the revenue is heavy, and rents following the revenue are high, and yet the zemindars and tenants are little or no worse off than their more lightly-taxed neighbours.

10. Para. 4, Section II. of the Board's Circular.—The enhancement clauses of the rent laws have been very little used in the District Courts; but the action of the courts in most of the cases that have come before them has been such as to keep up the belief that the rents paid by hereditary tenants cannot be raised. Very few cases of enhancement have been decided in the Settlement Courts; lately a good many have been filed, and it remains to be seen how far the Courts will uphold the judgment of the Settlement Officer.

11. Para. 4, Sections III. and IV. of the Board's Circular.—What has been said regarding the inexpediency of basing a permanent assessment on theoretical rates, as distinguished from present prevailing rates, and of adjusting a so-called permanent assessment from time to time to the variations in the money value of produce, is meant to apply to temporary settlements also. The inexpediency is believed to be as great in the one instance as in the other. Whatever the length of the period for which Government makes the settlement, let the assessment be made according to present prevailing rates, and not be liable to change during the period of settlement.

12. The people of the temporarily-settled pergunnahs of this district are undoubtedly desirous that their settlement should be made permanent. They have permanently-settled districts near them, in which, according to vulgar report, the proprietory profits are very large. Such profits they do not hope to gain now, but they would fain be freed from the anxiety, harassment, and expense, that—let officers do what they will—settlement operations bring upon them. Apart from these causes of dislike to temporary settlements, I doubt if they generally have any other. I believe that, with a rare exception here and there, the landholders would not agree to pay a higher rate of assessment in order to relieve themselves of the claims of Government to a share in the profits of increased cultivation in the future. For a year or two before settlement operations began, the people suspend their efforts to improve their land, and, where concealment has a chance of succeeding, throw land out of cultivation. But as far as I can judge, improvement is now likely to go on quite as fast under a temporary as under a permanent system of settlement. Two and a half pergunnahs in the extreme east of the district are permanently settled. These unfortunately I have not yet been able to visit. But in one of the pergunnahs, with which I am acquainted, some scattered estates are permanently settled. They differ not in respect to improvements and extension of cultivation from the temporarily-settled estates about them. In this part of the country the land is too much sub-divided, the agricultural population too dense, and the margin of culturable waste land now too small to admit either, on the one hand, of extensive rapid improvement, or, on the other, of the effort to extend, the cultivation being given up. Capital is generally wanting, and if available, scope for its employment is limited, and the unanimity of the many, who may be concerned in its employment, uncertain. At the same time the necessities of the people are such, that whatever the length of the period of settlement, they will by degrees bring the available culturable area under cultivation.

13. In this view of the subject, I have sometimes thought that settlements might in some places be better made for 10 years than for a larger period. The settlement records once correctly drawn up, it should be possible, under the pressure of a decennial adjustment of the jumma, to keep them up, so as to save to Government and the people the trouble and expense of another complete survey and revision of records. I doubt if the records we are now making would be equally well kept up during a period of 30 years or more. There would be little difficulty in recognizing and mapping into the maps of the present settlement, and in recording the possession of land broken up during 10 years, or in ascertaining how far the existing assets differ from those assumed at the previous revision of the assessment. No principle is more fully acknowledged by the people than the right of Government to a share in the profit of new land brought under cultivation. Having had to pay for their new land as it came under cultivation, the burden attached to an extension of cultivation of 35 or 45 years' duration would fall on them by degrees, and the assessing officer would be freed from one of the chief difficulties that meets him now—*viz.*, the sudden taking away from the people of a large share of the income, up to which they have, under a long period of settlement, become accustomed to live. It would be possible to take the benefit of any increase in assets that a spontaneous rise in rents had caused, and avoid the labour and confusion which would spring from an ordered adjustment of revenue and rent to prices.

14. The question is whether in this part of the country it is now worth while to alter the present system. We should, under a decennial system, be able to do away with the present cumbrous and harassing system of settlement; but there would still be some annoyance and expense caused to the community, which from the shortness of the period of engagement would become chronic. There are many villages in which there is no available waste left to break up; it is true, therefore, that the number of landholders with whom we should have to interefere on this score would be lessened. But even in most villages, in which there is still available waste, the increase in the cultivated area is not likely to be so rapid, and cannot be so great, as to make up for the trouble attending the bringing of every little patch of new cultivated land on to the

State's decennial rent-roll. But for the contingencies of the future, and the fact that no great real advantage is to be gained from the declaration, the settlement now in progress might be declared permanent. On the other hand, it would not be worth while, for the sake of possible contingencies, a great rise in prices and rents, the opening of canals, and the like, to keep up a chronic settlement.

15. On the whole, it would be best, I believe, to let the present system of settlement stand as it is.

Report by MOULVIE NAZEER AHMUD, *Deputy Collector, dated the 29th May*, 1872.

THE zemindars of these Provinces in their cries for a permanent settlement were actuated by a desire of securing for themselves two different objects—the large profits resultant from a light assessment, and the certainty of a fixed demand.

2. There are in the permanently-settled districts many instances of landed property yielding income to its fortunate owner quite enough to stimulate others to desire a similar profitable bargain. It seems to be a general feature of the permanent settlement that it is too hard now upon the then largely-cultivated estates, and too lenient to the backward ones. But to speak generally, the cultivation at that time was in a preliminary condition; examples of low assessments are happily many, and hence a longing for a permanent settlement on all sides. But the working of the present settlements has widely shown that the Government has of late grown too wise to sacrifice its interests. Perhaps no one now dreams of vying with the rich Bengal zemindars, and the first object has thus been frustrated by the final decree of time itself.

3. The idea of a permanent settlement, I believe, has now been abandoned by the landed proprietors as far as it related to the question of benefit and profit, and it is the pretended advocates of the people who continue urging it. In accordance with the old usage of this country, it is admitted on all hands that the Government is entitled to its share of the land revenue. The revenue derived by Government from the land is the safest of all taxes, and, if limited to a reasonable extent, can give no dissatisfaction to the payers. Then why the talk of a permanent settlement? The people do not and should not grudge the Government its proportionate share of the assets—less out of less and more out of more.

4. It is very difficult, if not altogether impossible, to gauge beforehand rightly and correctly all the future improvements destined for the country under British rule; and a permanent assessment, however cautious and well-conceived it may be, will be liable to contain mistakes and errors, and therefore be a dangerous thing both for the Government and the people. Supposing, for argument's sake, that a fair permanent assessment may be effected, it will be disliked by the people, because they shall have to pay partly for the profits that may possibly accrue to their descendants in future.

5. One may be led to think that, by the extension of railroads and canals over hundreds of miles, both the productive power of the soil, and the value of the soil and the value of the produce, have reached their height, but the question is—Are the present roads and canals up to the requirements of the country? None can deny that they are not. Besides, there is still a great deal to be done in the material improvement of the soil, the manner of cultivation, the introduction of better staples, and the employment of new instruments to save time and expense. I therefore should like the permanent settlement to be discussed no more, at least for the present generation.

6. It now only remains for me to show how the second object—an important one—can be secured. Settlement operations hitherto have extended over many years, and altogether entail hardships on the village communities. But the Settlement Department is not to blame. The work simultaneously done with the revision of assessment is so multifarious that it is impossible to do it all in a less period. The time is, however, now

ripe that, at another revision, the Department be not over-burdened with the renewal of papers. We have now professional maps worked on plane-tables, which may answer for many years to come. The putwarees' yearly papers represent in miniature the necessary settlement records, and if prepared periodically, with requisite accuracy, so as to show faithfully all the changes that may take place from time to time, their renewal at the time of a new settlement will no longer be required. Being relieved of the onerous duty of renewing the papers, Settlement Officers will have only to revise the jumma, which will be a work of, say, 2 or 3 years for each district.

7. As for the intervening period, I would adhere to 30 years for the present, because the country is progressing fast. But the less you harass the people, the more you would strengthen their allegiance to the rule, and perhaps, after one or two renewals of assessments, 50 years will be a fair time to let the people rest.

8. As for altering the porportionate value of the Government demand, it is the worst thing that can be advised. The Government have lost much of the confidence of its subjects in tax-matters, and even a very slight increase in the rate of the land demand will destroy what remains.

9. The moiety of assets, looked at with due regard to the strictness of its realization, the increasing tendency of the people to undertake agricultural occupation, and the general prosperity of the country, seems to be the fairest share that Government may reasonably demand.

10. As to the working of the past settlement, made under Regulation IX. of 1833, it cannot be taken as a criterion of the bearing of a new settlement upon the zemindars. There was at that time a large margin of culturable waste left at the discretion of the land proprietors. But the case is now otherwise, and there is very little culturable waste to meet any excessive demand.

11. Besides the culturable lands, the rise in rent-rates subsequent to the last settlement has been too great to be expected in future, and therefore no analogy exists between the two settlements.

Report by H. B. WEBSTER, ESQ., *Collector of Goruckpore, dated the* 18*th June*, 1872.

* * * * * * *

2. On taking charge of the district in the latter end of December last, I found this unanswered reference on the file; but as I had only just returned from England, and had never been in this part of the country before, I felt that it was perfectly impossible for me to take up at once a reference which involved at the same time so broad a principle and so much minute detail as this does.

3. Even now I feel that the special knowledge of this district which I have acquired is by no means commensurate with the magnitude of the task before me, but as it seems that an answer is required, and that immediately, I will do my best to furnish one.

4. It would doubtless be possible to lay down an arbitrary standard of average rent-rates below which no settlement should be confirmed in perpetuity, though it would be scarcely useful to do so if the converse of the proposition were not involved in the process—*i.e.*, if it were not also laid down that when rates reached or exceeded the standard, the settlement should be confirmed in perpetuity; but the standard would necessarily be merely arbitrary, for the *data* are altogether wanting from which we can, with confidence, say,—"Now the limit has been reached at which rates will remain stationary, and at which it is expedient to grant a permanent settlement of the land revenue."

5. In this district rents have been rising ever since the conclusion of settlement operations in 1865-66, as will be seen by the following statement:—

Memorandum showing Rental of the District of Goruckpore from 1865-66 *to* 1869-70, *and the Government Demand for* 1871-72.

	Rental, 1865-66.	Rental, 1866-67.	Rental, 1867-68.	Rental, 1868-69.	Rental, 1869-70.	Government Demand, 1871-72.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Settled Villages. ...	35,85,243 15 0	36,42,116 3 5	39,27,625 8 5	38,96,696 4 8	39,12,446 1 8	15,81,505 0 0
Jungle Grants, ...	2,31,404 0 2	2,42,336 0 0	2,66,571 2 10	2,63,156 5 0	2,90,291 10 8	63,715 0 0
District Total, ...	38,16,647 15 2	38,84,452 3 5	41,94,196 11 3	41,59,252 9 8	42,02,737 12 5	16,65,220 0 0

Prices have also risen during the same period, *vide* statement below:—

Year.	*Quantity per rupee in maunds, seers, and chittacks (Government weight).*												*Price per maund.*											
	(Wheat, white).			Barley.			Gram.			Jowar.			Rice.			Ghee.			Cotton.			Goor.		
	M.	S.	C.	M.	S.	C.	M.	S.	C.	M.	S.	C.	M.	S.	C.	M.	S.	C.	Rs.	a.	p.	Rs.	a.	p.
1851, ...	0	25	4	0	39	4	0	39	4		...		0	19	0	0	3	2	14	0	0	2	0	0
1852, ...	0	24	0	1	4	0	1	8	0	1	10	0	0	16	8	0	3	0	11	0	0	1	8	0
1853, ...	0	26	0	0	35	12	0	29	4	0	29	4	0	19	8	0	3	1½	8	0	0	1	13	0
1854, ...	0	23	0	0	36	8	0	33	0	0	36	8	0	20	0	0	2	10	10	0	0	2	0	0
1855, ...	0	32	8	1	12	5	1	6	8	1	8	0	0	32	12	0	2	10	11	8	0	1	11	0
1856, ...	0	19	8	0	31	8	0	25	8	0	25	8	0	22	8	0	2	10	13	8	0	2	4	0
1857, ...		...			...			...						...			...			...			...	
1858, ...	0	22	12	0	35	0	0	26	0	0	35	0		...		0	2	4	32	0	0	2	10	6
1859, ...	0	27	0	1	2	0		...		1	5	0		..		0	2	8	11	7	0	2	15	4
1860, ...	0	26	4	1	2	0	0	21	0	1	2	0	0	17	8	0	2	4	15	0	0	2	4	0
1861, ...	0	28	8	0	35	0	0	28	0	0	30	0	0	19	0	0	1	12		...		2	15	7
1862, ...	0	22	8	0	33	12	0	33	12	0	37	8	0	12	8	0	1	9	21	4	6	4	0	0
1863, ...	0	20	4	0	20	4	0	28	8	0	38	12	0	27	0	0	1	14	40	0	0	2	10	9
1864, ...	0	13	8	0	10	4	0	20	4	0	20	4	0	16	0	0	2	5½	32	0	0	2	15	0
1865, ...	0	9	12	0	16	14	0	8	0	0	15	12	0	12	4	0	2	1	20	0	0	3	0	0
1866, ...	0	12	10	1	9	1½	0	13	8	0	23	10	0	17	4	0	2	0	18	0	0	3	1	6
1867, ...	0	30	9	0	20	7	0	39	4½	1	2	9	0	34	6	0	1	11	17	12	6	3	5	6
1868, ...	0	12	2	0	13	12	0	19	13		...		0	11	4	0	1	11		...			...	
1869, ...	0	10	8	0	13	2	0	8	8	0	23	8	0	16	8	0	1	8	30	8	0	4	11	9
1870, ...	0	21	15	0	33	9	0	21	4		...		0	14	6	0	1	7½		...			...	
1871, ...	0	18	12	0	30	8	0	24	9		...		0	15	15	0	1	7		...			...	

And there seems to be every reason to believe that rents and prices will go on rising as improvements are made in the means of communication and markets become more accessible. Most of the ordinary causes which raise rates are at work in the Goruckpore District, in addition to a cause special and peculiar to itself.

6. The fact is that a very large proportion of the cultivators in this district are holding at what may be called unsecured preferential rates, which may be raised any day at the pleasure of the landlord.

7. In a great number of cases the landholders have been only too glad to make concessions and to offer land at low rates, in order to induce cultivators to come and settle on their estates. In a very large portion of the district, the conditions which rendered it necessary for landlords, as it were, to bribe cultivators to take their lands, have quite passed away. The lands (formerly scrub, grass, or forest) have been cleared and cultivated, the malaria once so dreaded has either decreased by the extension of cultivation, or the settlers have become acclimatised, and do not suffer from its effects as they used to do, the increase of population has rendered it possible for landholders to eject unprofitable tenants without the risk of throwing their lands out of cultivation, and consequently rents are being raised, and will be raised very much higher before the expiry of the present settlement.

8. Prices are also rising, and, in view of the improvements in communications which must be made (Goruckpore being half a century behind the Doab districts in this respect), it may be said that they will continue to rise, and rents will naturally rise

with prices; but, as has been shown above, in this district rents will rise independently of increase in prices of agricultural produce: therefore, to fix in perpetuity a settlement based on the existing rent-rolls of the Goruckpore District, would be to make an uncalled-for sacrifice of public revenue. Goruckpore has certainly not approached the end of the state of transition through which Boolundshuhur and other districts are said to be passing, though it has entered upon it.

9. I do not consider that a permanent settlement, however modified, is desirble. If we have a permanent settlement based on adequate rates of rent, but render it subject to the condition of a rateable increase of revenue in proportion to the increase of prices, what do we gain? In my opinion very little.

10. The only argument which I have ever heard in favour of a permanent settlement which seemed to carry any weight with it (and I believe its value is only seeming, not real) is that landholders, finding the Government demand upon them no longer liable to increase, would, on that account, bestow a greater amount of labour, skill, and capital upon their lands than they would do under a temporary settlement, in which they can never feel certain that they are not spending and working more for the ulterior benefit of the public finances than their own.

11. But if the so-called permanent settlement is to be subject to periodical enhancement as prices rise, what becomes of that element of stability which is its sole merit?

12. It may be urged that the feeling of security given by a permanent settlement would not be injured by proposed periodical enhancement, because the increased demand would be based on the rise in market prices of agricultural produce, and not upon increased production arising from the applied capital, labour, or skill of the proprietor. But this distinction, though sufficiently obvious to us, is, I think, too subtle for the ordinary agricultural mind of this country. The fact of the increased demand would be plain to the proprietor: the cause of the increase would be a matter of indifference to him.

13. I think that all idea of a permanent settlement, either pure and simple or modified, should be set aside, and that we should devote our attention to the problem of rendering our existing system of temporary settlement as efficient as under the circumstances it can reasonably be expected to be.

14. The problem of how to obtain for Government its due share of the assets of the land without unduly pressing upon the landholder and the peasant is in all its aspects a most difficult one, and one which, I fear, is capable of no definite solution during the currency of the present settlement. All that I can see my way to recommend is a compromise.

15. The rent-rolls furnished by the putwarees show that in this district the rental has risen from Rs. 38,16,647 in 1865-66, when the settlement operations were concluded, and the revised jumma given out to Rs. 42,02,737 in 1869-70. The Government demand amounts to Rs. 16,65,220, so that instead of 50 per cent. we only get 39 per cent. of the rental.

16. If we could really get 50 per cent. of the rental, and if that rental really represented a fair share of the net assets of an estate, I should say that the share thus taken was sufficient, and even as it is I do not advocate any attempt at present to obtain a larger share. As far as my experience goes, rents after the termination of a settlement always rise considerably, and that without the operation of any special causes, such as increase of irrigation, improvement of communication, or the like, but merely from the fact that during the currency of the former settlement there has been an increase in the value of produce, and consequently in the rent-paying powers of the land, of which proprietors have not availed themselves to the full extent within their power, from various causes throughout the term of settlement, and towards its close, from the obvious one that to do so would be to pay a higher jumma for the next 30 years. The universal plan is to represent the rental at the lowest figure that the Settlement Officer can be

brought to accept, and then, when the last jummas of a district are declared (which operation the people in most parts of the country look upon as the final act in the drama), rents are raised, and the Government does not get its fair proportion of the rental of the district.

17. This is a state of things which we may well object to, but which we cannot remedy unless by the dangerous step of emancipating the Settlement Officer from the rule which at present binds him to assess on the ascertainable rent-roll, with a margin for an evidently approaching increase; and allowing him to make a speculative assessment upon a prospectively enhanced rent-roll, the probable amount of which he has no trustworthy means of ascertaining.

18. I think that, supposing the settlement of a district to have been made on the existing rent-roll, and on the increased rents which on thoroughly good grounds may be reasonably expected in the course of a few years, it would be wise on grounds of expediency to be content with the nominal half share fixed by the Settlement Officer, although subsequent enquiry should show (as I believe it always would show) that rents had begun to rise from the conclusion of settlement operations, and had risen considerably, and that the share taken by the Government was not really half the amount paid to the proprietor in the shape of rent. It must be remembered that the process described in the last paragraph, though it is very general now, is not one that from its nature can go on without limit, and that the natural course of things (given a continuance of peace and prosperity) will tend more and more during the next 25 or 30 years to give proprietors their proper share of the assets of their estates, and consequently to enable the Government to fix its demand with a greater confidence of obtaining its fair proportion of the rental.

19. I would, then, accept as a necessary evil the fact that the share taken by Government is not, and cannot at present be, 50 per cent. of the rental, being assured that this is a state of things which will be nearly, if not entirely, remedied by the time that it became necessary again to revise the settlement of these Provinces.

20. I do not think that in this district the Rent Laws can be said to have had any direct effect in "restricting the full demand for land revenue to which the Government may be justly entitled;" in fact, the law has been but little resorted to as a rent-raising engine, the average number of suits for enhancement of rent decided annually during the last 5 years being only 80, which in a district containing nearly 8,000 estates is a mere nothing. But I think that their indirect effect has been here, as elsewhere, mischievous. Landlords, in a very great number of instances, refrain from any endeavour to enhance the rents of tenants with rights of occupancy, although the rents paid by them are quite inadequate when tested by the standard of rents paid by tenants not having a right of occupancy cultivating similar lands in similar situations. The difficulties and uncertainties involved in a suit under Section 17 of Act X. of 1859 very generally deter landlords from endeavouring to obtain from occupancy tenants the fair amount of rent to which they are justly entitled. The words "the same class of ryots" are the stumbling-block which is rarely got over.

21. Unless somehow a beginning has been made, and the rents of "the same class of ryots" in the neighbourhood have been raised, or unless the rate paid by the individual against whom the suit is brought be from some cause lower than that paid by his neighbours of the "same class," a suit for enhancement cannot succeed: this is, I think, a grave fault in the law.

22. I think that it is unadvisable to leave the settlement, when once completed for a term of years, open to readjustment on any ground whatever. The additional income which might be secured to the State by periodical enhancement of the revenue owing to diminished value of the precious metals or any other cause, would be dearly purchased at the expense of the feeling of general insecurity and irritation which such proceedings would certainly produce among the people. I would strongly recommend

that the revenue fixed at the time of settlement be left unaltered throughout its currency: at the end of the term of settlement, Government will be able successfully to assert its full rights, which will be acceded to as just and reasonable when demanded at what is considered by the people to be the legitimate time for enhancement.

Report by ELLIOTT COLVIN, ESQ., *Officiating Collector of Bareilly, dated the 7th December*, 1871.

* * * * * *

2. The first question raised is the possibility of laying down some average rates below which no settlement should be perpetual.

3. As far as regards the portion of the country entrusted to me to settle, the following statements will show that rents within the shortest distances at present vary excessively :—

Name of Pergunnah.	Wet soil.			Dry soil.		
	1st Class	2nd Class.	3rd Class.	1st Class.	2nd Class.	3rd Class
	R a.	R. a.	R. a.	R. a.	R. a.	R. a.
Jehanabad						
Circle 1, ...	1 8	1 6	1 0	0 14	0 12	0 10
„ 2, ...	2 4	2 0	1 8	1 9	1 6	1 0
„ 3, ...	2 10	2 4	1 12	1 13	1 9	1 4
„ 4, ...	2 12	2 8	2 0	2 0	1 12	1 8
Highest rate on wet, ...	...	2 12	...	Highest rate on dry,		2 0
Lowest ditto, ...	...	1 0	...	Lowest ditto,		0 10

Pergunnah.	Wet soil.			Dry soil.		
	1st Class.	2nd Class.	3rd Class.	1st Class.	2nd Class.	3rd Class.
	R. a	R. a.	R. a.	R. a.	R. a.	R. a.
Pilibheet						
Circle 1, ...	1 8	1 4	1 0	0 14	0 12	0 8
„ 2, ...	1 14	1 10	1 8	1 8	1 3	1 0
„ 3, ...	2 4	2 0	1 6	1 14	1 9½	1 4
„ 4, ...	2 10	2 4	1 8	2 0	1 14	1 6
Highest rate on wet, ...	...	2 10	...	Highest rate on dry,		2 0
Lowest, ditto, ...	...	1 0	...	Lowest ditto		0 8

Pergunnah								
	1	2	3		1	2	3	
	R. a.	R. a.	R. a.					
Poorunpoor								
Circle 1, ...	0 14 1/16	0 10 15/16	0 7 13/16		Rs.	a	p.	
„ 2, ...	0 15 3/4	0 12 1/4	0 9 3/4	Highest rate, ...	1	12	1 1/2	
„ 3, ...	1 2 1/2	0 15 3/4	..	Lowest ditto, ...	0	7	9 3/4	
„ 4, ...	1 9	1 2 1/2	0 9 3/4					
„ 5, ...	1 12 1/4	0 15 3/4	0 9 3/4					

In all three the revenue rate is entered, which should be doubled to obtain rent rate.

4. The causes of these marked divergences have been reported on when submitting revenue rate reports. It is impossible to prophesy correctly how long these causes will continue. We have the following facts to aid us in forming an opinion. :—

5. There is a large competition for tenants for the Turrai, with its hundreds of square miles of fallow land.

6. The culturable area within the sub-division is still 342·94 square miles, out of a total malgoozaree area of 733·15.

7. The tenants will gradually move on and break these up, as experience shows, at rents much the same as they pay for lands now occupied. Their places will be taken by cultivators from the south, pushed on by the pressure of population, who will, as a rule, continue to pay the rents they did in the land they left. The power of custom is enormous, and this where cultivators are on the move is a most influential agent in deciding rents.

8. The density of the population per square mile is detailed in the following statement :—

Excluding Government Forest Lands.

	Agricultural.	Non-agricultural.	Total.
Jehanabad,	... 333·27	... 114·77	... 448·04
Pilibheet,	... 316·05	... 209·97	... 526·02
Poorunpore,	... 144·74	... 30·46	... 178·20
Whole Sub-division,	... 227·62	... 90·90	... 318·52

9. This is below the standard of the district, which is 582 per square mile, and of other pergunnahs, such as Meergunge, 634 ; Nawabgunge 541 ; Aonla, 583; Suneha, 666; Serowlee, 564; Buheree, 647 ; Kabur and Sirsawan, 669 ; Ritcha, 578; Furreedpore, 460 ; Crore, 416.

10. As yet the railway has not penetrated the sub-division, indeed, beyond the limits of the Municipality of Pilibheet, there are but 6½ miles of metalled road, and bridging is very backward.

11. As yet Government Canals have only been made on a small scale in one pergunnah. Several projects are in a more or less forward stage under the consideration of Government.

12. It is not in the least probable that such a state of things will continue. The material improvement and development of the pergunnahs will gradually take place, and in their train will come a rise in rents infinitely greater than that which has as yet occurred, and yet it will be shown hereafter that the rise in the rental within the last 30 years has been estimated at 76 per cent.

13. The next question is the expediency of a permanent settlement based on adequate rents, subject to alteration in proportion to variation of prices.

14. The circular only notes increase, but it is presumed that if Government retains the right to increase its revenue, subject to increase of prices, it will of course acknowledge its liability to forego its demand in proportion to a decrease in prices.

15. Before expressing an opinion on such a question, it would be better to have it placed in a more tangible form, or at all events to have more details of the practical plan which it is proposed to adopt outlined.

16. To consider such a question, it appears necessary to know the term of years for which each re-arranged revenue demand would hold good, to ascertain the method by which it is intended to apply it to individual villages, for it will be readily admitted that a succession of years of famine prices are as ruinous to some as they are favourable to others.

17. The agency by which the average prices is to be obtained, and the area over which it is to extend; the method of meeting cases where a price in one staple, like rice, may rise, and in another—say sugar—fall ; the remedy in cases where custom has started a low pergunnah rate for sugar, and the over-low has tended to perpetuate it;—all these and many other questions require full ventilation before a definite opinion can be ventured on.

18. The next point raised is that entered in clause 1 of paragraph 4 of the letter under reply.

19. It should be premised that most of the tenures in the Pilibheet Sub-division are purely zemindaree. The landlords are chiefly non-resident; the seer cultivation is nominal as shown by the following statement:—

Held by tenants,	...	...	258,206	acres.
Seer,	...	...	5,959	,,
		Total, ...	2,65,165	,,

20. The pressure of the expired settlement has been noted in the following extracts of rent rates reports submitted for the three pergunnahs:—

Pergunnah Poorunpore.

"The modifications which have occurred in the demand during the term of settlement are exhibited in the accompanying table:—

No. of Mouzahs affected.	Jumma, 1833.	Gross increase.	Gross decrease.	Net decrease.	Jumma, 1870.
	Rs.	Rs. a. p.	Rs.	Rs. a. p.	Rs. a. p.
39	6,711	21 8 0	1,345	1,326 8 0	5,384 8 0

Detail of Increase.

		Rs.	a.	p.
Resumption of rent per holding,		21	8	0

Detail of Decrease.

Purchase in fee simple (Grant No. 1)	...	200	0	0
Remission on account of excessive demand,	...	1,148	0	0
Total,	...	1,348	0	0

"The remission on account of excessive demand took place in 35 villages,—all belonging to the same zemindar, and situated in the tract between the rivers Chooka and Sardah—a region where, from calamity of climate, cultivation is scarce and inhabitants are few, and where perhaps little local enquiry was made at the time of the last settlement.

"There is only one case in which the proprietary right has been alienated for arrears of revenue. The details are given in the following statement, but the amount of arrears, owing to the destruction of records, &c. during the mutiny, can only be approximately stated:—

Name of Mehal.	Government jumma.	Amount of mouzahs alienated.	Mode of alienation.	Amount of arrears.	Date of order.
Rughunathpore, ...	230	The whole ...	Sale. ...	230	2nd Decr., 1859.

"The trifling degree in which the demand has been modified and alienations have occurred, while showing the moderation of last settlement, may be chiefly accounted for by the fact that this large pergunnah is held almost entirely by four families—the Bunjarahs of Madho Tanda, the Thakoor of Ghoongchaiee and Jutpoora, and the Mussulmans of Sherepore. Owing to the extent of their estates, the deficiencies in the culture of a declining or over-assessed village are compensated by the larger culture of a prosperous or lightly-assessed one.

Pergunnah Pilibheet.

"He (Mr. Head) accordingly greatly reduced the Government demand: the revenue as fixed by him according to Statement No. 4 amounted to Rs. 11,949.

"This amount has been modified to the extent shown in the following statement, which also exhibits the various causes which have increased or decreased the demands:—

Abstract of modification of Government demand in Pergunnah Pilibheet.

Particulars.	Jumma of former Settlement under Act IX. of 1833.	Increase.		Decrease.		Diluvian cases.	Redemption of land revenue on payment of 20 years' jumma.	Present jumma as per revenue roll of 1867-68.
		Owing to resumption of maifee lands.	In alluvion cases.	On account of appropriation of lands for public purposes.	Deduction of demand owing to severity of assessment.			
Total jumma of mouzahs in which increase or decrease occurred, ...	Rs. 55,434	Rs. 5,120	Rs. 1,367	Rs. 25	Rs. 799	Rs. 742	Rs. 125	Rs. 60,230
Total jumma of mouzahs in which no increase or decrease occurred, ...	63,685	...	...	...	...	...	...	63,685
Total, ...	1,19,119	5,120	1,367	25	799	742	125	1,23,915
Difference, ...	6,487	1,691	...	...	...	...	...	...
Net Increase, ...	4,796	...	...	...	...	...	...	...

"The annual reduction on account of over assessment is only Rs. 799, but it is extremely probable that a further reduction would have been not only just but expedient in many of the following cases, where measures were adopted for the realization of the revenue which involved temporary or permanent alienation of proprietary right:—

Statement of Villages sold for Arrears of Revenue and bought in by Government no Purchaser being forthcoming.

	Number of Villages.	Amount of arrears.
		Rs. a. p.
Villages bought by Government, ...	5	1,110 5 3

Statement of Villages purchased by and farmed to private parties.

		Rs. a. p.
Sold by auction, ...	3 ...	568 1 3
Transfer of puttees, ...	2 ...	304 10 1
Farm, ...	3 ...	817 3 3
Sequestration, ...	1 ...	42 0 1
Attachment, ...	1 ...	650 0 0
Total,	10	2,381 14 8

"There were 15 estates in which these extreme measures were adopted. Of these, 5 still remain in the hands of the Government: fine properties were bought in by Government, as no person was willing to purchase. The landlords of other properties refused to engage at last settlement; they were then given in farm, and on the expiry of the farming lease, Government, in consequence of no one being willing to take them at the fixed jumma, ordered them to be held direct. As a general rule, these seven villages have been held by Government at a considerable loss.

"It cannot be doubted that in these cases at least the demand was excessive, and that relief, in the form of abatement, would have been a more judicious measure than that adopted.

"It appears from these facts that the assessments were in some cases excessive, and that the settlement has not worked so well as that made by Mr. Head in Pergunnah Jehanabad. It must not, however, be supposed that the last settlement was a heavy one. In particular instances it was unevenly distributed. The villages over-assessed were situated, as a general rule, close to the Turrai. This is the more noteworthy from the fact that Mr. Head carefully and successfully guarded against this error when assessing similar estates in the adjoining Pergunnah of Jehanabad.

"As a whole, the demand does not appear to have pressed more heavily than it was intended to. The landlords are prosperous and have accumulated property, and the increase in the cultivated area has been very great."

Pergunnah Jehanabad.

"As a whole, Mr. Head's settlements may be considered to have worked very well. It was, as he intended, light in the more unhealthy portions of the pergunnah where cultivation was sparse.

"While fully admitting that a large amount of the increase in the cultivated area is due to the construction of works of irrigation, there can be no doubt that much of it is owing to the judicious assessment of land revenue. In the rest of the pergunnah it may be justly characterized as moderate.

"The number of cases in which it has been found necessary to adopt measures entailing permanent loss or temporary transfer of proprietary right for arrears of revenue are very few, and are exhibited in the following statement :—

Number.	Name of Mehal.	Jumma.	Amount of proprietary right alienated.	Mode of alienation.	Amount in balance.	Order.
		Rs.	Rs.		Rs. a. p.	
1	Billaee Puseapoor, ...	508	20	Kham Tehseel,	234 7 0	S.B.R.15 9 51
2	Bhoora Puttee, I., ...	450	10	Farm for 4 years,	256 12 0	„ 20 11 51
3	Do. do., II.,... ...	580	10	...	110 14 0	„ 31 12 51
4	Poorayna, ...	500	20	Farm for 1½ years,	191 0 0	„ „
5	Chutea Bhysaha, ...	1,091	20	„ 3 „	478 1 0	„ 2 10 51
6	Nuguria Puttee Shimdee, ...	115	5	„ 10 „	44 9 3	„ 29 4 56
7	Nisra Puttee, ...	201	10	Sale.	185 0 0	„ 21 9 54
	"Total, ...	3,445	...	...	1,500 14 3	...

"The amount of balance for which these measures were taken appears very small, and this, combined with the fact that all these alienations occurred during a period of less than two years, raises doubts whether they may not have been resorted to unnecessarily, and that they might have been entirely prevented by a little management. However, be this as it may, the moderate nature of the settlement is evident by the fact that alienation was resorted to in so few instances.

"Other strong evidence is afforded by the wealth accumulated by landlords. It is true that some wealthy families have entirely disappeared, but in each case there is clear and sufficient cause, such as mad extravagance, rebellion, and the like, and in no case have I heard the excessiveness of the Government demand alleged as a reason."

21. It will be observed that the assessments were, as a rule, certainly moderate.

22. The estimated rental on which they were based was Rs. 4,68,213; that of the present is Rs. 8,24,904,—*i.e.*, an increase of 76 per cent. within 30 years.

23. The fixing of the present demand at 50 per cent. of assets has reduced the income of the landlords about 20 per cent, and if two-thirds of the rental had been now taken as revenue, the decrease would have been Rs. 2,74,968, or 46·4 per cent. To realize this the best plan is to imagine the uproar if an income-tax to that extent had been imposed.

24. A reference to the minute by the Governor-General on the revenue administration of North-Western Provinces, dated 21st September, 1815, paragraphs 28, 29,

and 36, will convince most men that the landlord or middlemen was the deliberate creation of Government. The following is an abstract of the passage quoted:—

"In paragraph 28 the immemorial right of the ruling power to a certain proportion of the produce of every cultivated beegah is asserted." In paragraph 29 the modes of realizing this share presenting themselves for choice are summarized into one—the ryotwaree system of Madras.

2. The realization of the Government rights through the intervention of middlemen bound by special engagement.

After discussing the two, the "introduction of a class of middlemen" is adopted in paragraph 36.

25. Whether it is a matter of public policy to destroy him is scarcely within the limits of the comments called for.

26. That it would do so in a great degree is scarcely open to question. In many districts the margin of cultivation has been reduced to a minimum. Properties have been largely sub-divided under the Native laws of inheritance, while the children have been brought up in a standard of comfort which they cannot or will not resign, and which was unknown to their ancestors.

27. Those who reduced their expenditure would constitute a mass of decayed and discontented families remembering their former greatness, and indignant with the Government which had within a century made and marred them. The possessions of the rest would eventually pass into the hands of the moneyed classes, at prices diminished in proportion to the increased demand on the estates.

28. As regards the discretion to be left to the Settlement Officer, it seems best to give him a fixed point, and allow him to report when he considers any variation on either side should be made from it.

29. With reference to clause 2 of paragraph 4 of the letter under reply, as to whether the operation of the Rent Law in any way restricts the full demand, it, in my opinion, depends very much on the officers and their tendencies.

30. My experience is that the Courts are raising rents beyond the estimates of Settlement Officers. I have known a landlord complain bitterly against a rental incidence of 14 annas per kutcha beegah assumed by the Settlement Officer, and yet get the tenants raised *en masse* to one rupee per acre.

31. Experience shows that a Court may imagine that if the revenue rises one-third, rents should at once be raised one-third also;—the danger and injustice is palpable.

32. It is quite possible that in other districts there may be difficulty in getting rents raised through the Courts. Whatever they decide is practically final, for the Stamp Law and expenses attending an appeal to the High Court on such points almost prohibits its being made. It has always seemed to me, however, an anomaly that during settlement the appeal in adjusting rents should be to the Civil Court.

33. In answer to paragraph 4, clause 3, it appears to me that the excellence of a settlement depends much on the way the circumstances of enhancement of rent, not only in pergunnahs and circles, but also in villages, as considered and worked out.

34. It was a special point in Pilibheet, where enhancements had been made, were being made, and where it was certain in other villages that they would be made shortly. Then to this had to be added the large culturable area. It was impossible to draw a broad line there, and I doubt if it is so anywhere.

35. In answer to paragraph 4, it appears to me inexpedient to leave the assessments open to re-adjustment pending the period of a temporary settlement. The period of 30 years is a fair one, and it appears highly impolitic to keep the minds of the agricultural classes continually unsettled by the chance of recurring revision of settlement at short periods. It may be safely said that there is nothing which unsettles the whole mind of agicultural society so much as the progress of settlement operations.

Report by H. R. WILSON, ESQ., *Settlement Officer of Budaon, dated the 13th March*, 1872.

* * * * * *

2. The points indicated by Government on which information is called for are noted as follows:—

1st.—PERMANENT SETTLEMENT.

"QUESTION I.—Whether it might be possible to lay down some standard of average rates, below which no settlement shall be confirmed in perpetuity."

3. Rents have been gradually increasing since the introduction of Act X. of 1859 in this district, and may be said to have increased since then to the extent of about 25 per cent.

4. It is, however, uncertain to what further extent they may rise, as this contingency depends much on the rise and fall in the value of grain, consequent on favourable seasons, canal-irrigation, and opening out of means of communication by rail.

5. Of canal-irrigation there is none in this district, but it is understood that a project for making a canal from the river Ramgunga is before the Government. At present irrigation is practised by means of wells, tanks, and streams; but where these are not available, the crops are dependent on favourable rainy seasons.

6. The Rohilkhund Railway is not yet sufficiently advanced to have any effect on the value of produce.

7. The district is well populated throughout, and there are no extensive tracts of land lying waste for want of an agricultural population.

	Acres.
Old waste, ...	198,342
Fallow, ...	52,324
Total,...	250,666

8. The extent of waste lands as ascertained at the revision of settlement is noted as per margin.

9. The value of landed property has, as ascertained from actual transfers, risen in value about the same ratio as that of rents—*viz.*, 25 per cent. The marketable value of land prior to the settlement was on an average Rs. 1,000 for every Rs. 100 of clear rental. This has now risen to Rs. 1,250 or Rs. 1,300 for the same amount of assets.

10. The district, like others, appears in a state of transition, and which cannot be said to have reached its limit. Under these circumstances, I do not consider it possible to determine any standard of rate below which a settlement in perpetuity can be made.

"QUESTION II.—You have to record your opinion in regard to the expediency of a permanent settlement, based on adequate rates of rent, as explained in the preceding paragraph, but subject to the condition of a rateable increase of revenue in proportion to the increase of prices (see paragraph 33 of the Government of India letter). The staple by which the increase of prices should be tested, the intervals, and the mode of applying the test, are points on which opinions must be furnished, if such mode of settlement recommends itself?"

11. The expediency for a permanent settlement is not recommended for reasons given in reply to Question I.

2nd.—TEMPORARY SETTLEMENT.

"QUESTION I.—Whether the present standard of assessment of 50 per cent. of the rental assets is inadequate, and whether the share of rental assets at present left to proprietors is excessive?"

12. The settlement of land revenue under Regulation IX. of 1833 was made at 66 per cent. of the rental to which the cesses marginally noted were also added, making an aggregate of Rs. 70-9-7 per cent., leaving Rs. 29-6-5 per cent. of the profits to the proprietors.

	Rs.	a.	p.
Road Fund at 1 per cent. of jumma, ...	0	10	6
School, do. do., ...	0	10	6
Hurkarah at 4 annas per cent. of jumma, ...	0	2	7
	1	7	7
Putwarees' fees at half anna per rupee on Rs. 100 of rental, ...	3	2	0
	4	9	7

13. Out of this the proprietors had to meet the calamities of seasons, incidental charges of the village choupal, expenses of some of the chief Hindoo and Mahomedan festivals, costs in law-suits against litigious sharers and defaulting tenants, to incur expenses for marriage and other domestic matters which we have no means of judging, but which must all be either provided for from the Rs. 29-6-5 per cent. left of the assets, or raised by loans which often involve them in difficulties, out of which many ar eseldom released.

14. It may be said that a large margin was left at the last settlement in extensive waste lands, the cultivation and produce of which lessened the pressure of a settlement at 66 per cent., but I doubt whether, with all this margin, the percentage was reduced to 50 per cent.

15. The total of waste lands at the past and present settlements is marginally noted, showing that about one-fifth has been cultivated during the currency of the late settlement, and leaving 250,666 acres still waste. Taken as a rule, the best lands are always broken up first; that which remains is retained for grazing grounds for village cattle, for the produce of fuel and thatching grass, as village-houses in this district are generally covered with thatch.

	Acres.
Former Settlement,	3,08,977
Present do., ...	2,50,666
Decrease, ...	58,311

16. Taking all these points into consideration, I do not think that a settlement based on half-rental assets is inadequate, or that it leaves too much to the proprietors. I would suggest that 50 per cent. of the assets be fixed as the limit, but under certain reservations, to be increased by the Board on reports furnished by Settlement Officers explaining their reasons for deviating from the general rule.

"QUESTION II.—It should be stated whether the operation of the Rent Laws results in any measure in restricting the full demand for land revenue to which the Government may be justly entitled. It will be remembered under this head that the success of much of the operations of the assessing officer is tested by the degree in which they are upheld by decisions given under the Rent Laws. Is it generally the case that rents upon tenants with rights of occupancy are not raised by the Courts to such a standard as (from facts noticed by the Settlement Officer, such as agreement between parties, value of produce, rates of rent paid by tenants having no rights of occupancy, &c.) may seem equitable and fair? If no such general cause of obstruction exists, in what degree does it exist? And what are the remedies, if any, which are suggested to remove it?"

17. I do not consider that the operation of the Rent Law has in any measure restricted the demand of land revenue. The law, as noted in the paragraphs in reply to Question I., has been fully resorted to for enhancing rents, and in other cases these have been effected by mutual agreement between landlord and tenant, and the Government demand has been determined with reference to them.

"QUESTION III.—The extent to which, on theoretical grounds, in view of a settlement for a term of years' enhancement of rent-rates beyond the present prevailing standard is, or may safely be assumed, as a basis of assessment, should next be stated. The expediency of assuming at time of settlement any considerable rise in rents which is prospective only—in other words, of taking for an indefinite term of years a larger share than usual of the existing rental assets—must be weighed here with especial reference to the circumstances of each district."

18. I consider it a dangerous theory to assume any enhancement of rents beyond the prevailing standard as a basis of assessment, and I would not recommend any proposals calculated on such uncertain foundations.

"QUESTION IV.—The expediency of leaving the assessments open to enhancement or readjustment during a term of temporary settlement in consequence of the diminished value of the precious metals, or other causes, such as those enumerated in paragraph 25 of the Government letter, with the effect of canals and other public works upon the assessment of the land revenue, will come under this head."

19. I would not advocate the expediency of leaving assessment of land revenue open to enhancement or revision during the period of a temporary settlement after it had been finally determined. Any improvements in the increase of assets derived from other sources, such as canal-irrigation, or by improved means of communication by railroads, should be met by demands from the profits of such sources, such as water-rates from canal-irrigation, and town duties in large marketable towns where the produce is conveyed for sale.

Report by R. G. CURRIE, ESQ., *Settlement Officer of Shahjehanpore, dated 21st March,* 1872.

Answer to Question I.—I am decidedly of opinion that it is not possible to lay down any standard of average rates below which no settlement shall be confirmed in perpetuity.

I understand the question to mean average rates varying in each district and in different parts of the same district, according to the local peculiarities and qualities of the soil, irrigation, crops, present and immediately prospective means of communication, &c., &c.; for of course no standard of average rates could be laid down applicable to the whole North-Western Provinces, or to the several districts of any one single division.

And as applying to separate districts and different portions of them, I understand the question to be whether standards of average rates could be *now* made from existing and immediately approaching rents, and with due respect to the now existing and immediately approaching status of those different parts on which to base an assessment which shall now at its commencement be a fair or even very full half-asset assessment, and shall continue an approximately fair half-asset assessment for at least 25 or 30 years, if not longer, so that no great sacrifice of prospective revenue (say only 30 years hence) is made by now assessing in perpetuity on the said requisite standard. And this, I say, is utterly impossible.

I believe that in no part of the country have rents reached even their full present limit, and have certainly not risen to the level which they are likely to reach within the next 12 or 15 years from now, or in the case of districts under revision from the date of completion of revision. Much less have rents risen to that level which they most assuredly will reach within the next 25 or 30 years.

As regards this district (Shahjehanpore) the state of transition through which Meerut and Boolundshuhur are passing can scarcely be said to have commenced. Only that portion of it has commenced, which is the natural and inevitable consequence of a revision of the Government demand,—which portion, moreover, is foreseen and anticipated by every Settlement Officer. I refer to the waking up of the landlord community in general from a comparative state of rent lethargy which has existed for the last 15 or 20 years of the expiring settlement,—from that happy-go-lucky state of unaltered rents and rates which is the rule rather than the exception where rents are in money, as in this district, and not in kind or by appraisement.

The other causes which together tended to bring about this extraordinary state of transition within so short a time in those districts do not yet exist here, as this district has been almost destitute of even passably decent roads or means of communication of any kind to within the last five years; but now roads are being made, and the railway will shortly be opened through it. Without doubt the sudden change from an almost entire absence of means of communication to the existence of a railway through the middle

of the district and numerous metalled roads through it in various directions, will make a great revolution in the value of property, in prices, in productions, and in rents.

Prices of course have risen enormously here, as elsewhere, during the last 30 years, and there is a considerable increase in the rent, irrespective of the increase due merely to extension of cultivation; but there is no *proportionate* increase in rent and in money rates to the increase in prices: in fact there is very little actual increase in rates of rent, that is to say, there is no general advance in the rates themselves.

The rates quoted, and found in individual cases as existing at last settlement, or at any time during the last 30 years, are almost identically the same as those now existing. Unfortunately there is nothing but the most superficial mention of rates in Mr. J. W. Muir's and Mr. Rose's reports of the last settlement, and I cannot therefore draw any detailed comparison between the then and the present rates, nor are there vernacular records in existence showing the then rentals and rates to a sufficient extent to give any results for large areas.

But I have had comparative statements prepared, showing the areas and rentals at Fidda Ali's supplementary measurement and preparation of records, and those of the present measurement, and these perhaps illustrate my opinion better than a comparative statement betweeen the rates and rentals at time of last and present settlements would have done:—

Name of Pergunnah and Circle.	Number of mehals.	Cultivated area in acres.		Rentals.		Rent-rate per Acre.	
		Fidda Ali's measurement 20 years ago.	Present measurement.	Of 20 years ago.	Of present time	Of 20 years ago.	Of present time.
				Rs.	Rs.	Rs. a. p.	Rs. a. p.
Tilhur Terai, ...	77	18,143	19,458	66,452	79,848	3 10 7	4 1 9
„ Bhoor, ...	103	30,814	30,892	63,885	70,313	2 1 2	2 4 5
Nigohee Domut, ...	32	7,668	8,492	22,353	24,985	2 14 7	2 13 7
„ Kymooa, ...	31	6,122	6,974	16,669	18,121	2 11 6	2 9 7
Burragaon, owned by Puthans of city, ...	30	6,580	7,204	22,252	24,017	3 6 1	3 5 4
Owned by others, ...	40	7,236	8,194	26,959	29,123	3 11 7	3 8 10
Total, ...	313	76,563	81,214 Increase 6 per cent.	2,18,570	2,45,607 Increase 12½ per cent.	2 13 8	3 0 4 Increase 6¼ per cent.

These measurements of Fidda Ali's were made 9 and 10 years after the settlement, after all the excitement and disturbance in rates and rentals which accompanies, and for a few years succeeds a revision of settlement had subsided, and 20 years ago from now—a sufficiently long period to allow of considerable progress being exhibited.

But what is the result? A considerable increase in rental (12½ per cent.) due to extended cultivation, but an increase in rent-rate in only one of the three pergunnahs, and an actual decrease in rent-rate in the other two. These villages have not been selected with the view or intention of obtaining any certain result and upholding a preconceived opinion, but as those in which there was little or no "seer" to spoil the calculation, and in which there had been no very considerable increase in area, and in which the rentals were believed to be reliable. The papers of 20 years ago are not in existence for Tehseels Shahjehanpore and Julalabad.

The rates mentioned by Mr. Lowther (pages 295, *et seq.*, Selections from Revenue Records, North-Western Provinces, 1818-20) as existing in 1818 are very much the same as those mentioned by me in my rent-rate report of Tehseel Shahjehanpore in 1869, the only real difference being that I have entered into greater detail for each pergunnah and denomination of soil, whereas Mr. Lowther's returns are very condensed. But

no one could now say, looking at Mr. Lowther's rates,—"Oh, yes, those rates may have possibly existed 50 or 60 years ago, but that is all changed now. On the contrary, there appears to have been very little change."

There is no such thing as the 4 anna per kutcha beegah rate of 30 and even of 50 years ago not existing now, but having been replaced by a 5 or 6 anna rate, nor have the higher rates advanced at all proportionately with the increase in prices and the depreciation of silver.

Doubtless when the areas are looked into to which these various rates are applied, *they* have increased, but so has the total cultivated area; but nothing of this sort is found, that the generality of lands which were 30 years ago paying 8 annas per kutcha beegah are now paying 10 annas, or that those which were paying 12 annas are now paying a rupee. There has been no general and wholesale advance as might have been fairly expected, and hence there is no adequate relation between existing rents and the value of the present produce as compared with the rent-rates of 30 years ago, and the then value of the produce.

For instance, the average harvest price of wheat for the first decade of the past settlement was Re. 0-14-10 per maund of 80lbs, but the prices were high at commencement of the decade owing to the famine of 1837 to 1839 A. D., and this has affected the average of the whole decade. The average of the second decade is Re. 0-10-6 for 80lbs. of wheat, and for the third decade it is Re. 1-2-3, and for the last 5 years of the third decade Re. 1-4-6, being an increase in value between the first and third decade of 23 per cent.; between the second and third decade of 73 per cent.; and between the second and the last 5 years of third decade of 95 per cent., and there is still a steady upward tendency in prices, the average of the last 3 years since the end of the abovenamed third decade being slightly in excess of the average of the last 5 years of that decade.

In Tehseel Shahjehanpore the average cultivation rent-rate was 30 years ago Rs. 2-10-6, and is now Rs. 3-3-4 per acre, being an increase of Re. 0-8-10 per acre, or 20·78 per cent. In Pergunnah Nigohee, the average harvest prices being the same, the average cultivation rent-rate of last settlement was Rs. 2-7-3 per acre, and now it is Rs. 2-15-11, being an increase of Re. 0-8-8 per acre, or 22·08 per cent.

The cause of this state of things, that the rates of rent have not increased at all proportionately with the increase of prices is, I believe, to be explained by the almost entire absence of payment in kind or by appraisement, the rents being entirely in money except only for very poor or bad lands which the cultivators wont take at a money-rent, but only on division of the actual produce. As far back as 1818, by Mr. Lowther's report, it appears that very little payment in kind existed, and there is even less now, in fact none to speak of. Hence the variations of the harvest prices have not been forced on the zemindars and cultivators, and rents have not adjusted themselves spontaneously as is the case in those districts where payment in kind or by appraisement of crop convertible into cash at the existing harvest rates obtains. "*Mutatis mutandis*," this accounts for the enormous increase in rent in the Boolundshuhur and I believe also in the Meerut District. For there the asamees and zemindars fully realized the effect of the rise in prices on their rents. They saw and felt, each in his own way, that, whereas a maund of wheat had lately been worth only about 10 to 12 annas, it suddenly became worth from Re. 1 to Re. 1-4-0, and the share of the zemindar in the produce ($\frac{1}{2}$ or $\frac{2}{5}$th or $\frac{1}{3}$rd, as the case might be) was known and acknowledged, whereas here it is simply unknown and never thought of. And this no doubt is, and must continue to be, a very great obstacle to the rise of rents, either by mutual agreement or by aid of the courts at all proportionate to the rise in prices.

In point of population and proportion of cultivated to culturable area, this district, is not below the average, and, indeed, as regards population, if Pergunnah Khotar, which is near the Terai, and contains a considerable amount of forest be excepted, ranks amongst the highest in the North-Western Provinces.

The Census Report of 1865 gives a total population of 915,984 (after deducting Poorunpoor, which has been transferred to Pillibheet, and part of Khotar to Kheree) and an average of 501 per square mile. The only pergunnah in which the average is under 450 per square mile is Khotar, where it is as low as 259. My own returns of area and population are not complete for the whole district; but for those pergunnahs for which they are complete, the population is shown to be rather less than that of the census of 1865, and the average per square mile comes out still lower in consequence of a slight increase in the total areas added to a decrease in the population returns. By my settlement returns, which I believe are more correct than the census of 1865, the smallest average population per square mile of any pergunnah, excepting Khotar, is in Nigohee (411) as it also is in the Census Report, but 456 instead of 411, and no other pergunnah has under 450. For the three Tehseels of Shahjehanpore, Julalabad, and Tilhur, for which the papers of new measurement are ready (Tehseel Powayen alone being excepted), the total assessable area culturable and cultivated amounts to 640,039 acres, of which 4,97646 acres (77¾ per cent.) are cultivation, and 142,393 acres (22¼ per cent.) are culturable, including baghs and newly-abandoned waste (fallow).

The improved means of communication have already been mentioned to be the railway and metalled roads, which will doubtless work a great revolution in value of lands, prices, and rents, within the next 15 or 20 years. As regards improved means of irrigation there is a talk of a Sardah Canal; but I am one of the heretics who disbelieve in the advantages to be derived from it, and think it will do more harm than good.

Answer to Question 2.—As a make-shift and "dernier résort" to avoid the great sacrifice of revenue which must ensue from the formation of a permanent settlement, without some such reservation, I am of opinion that a re-adjustment of the demand in proportion to the increase of prices is the best that could be proposed. But I am decidedly in favour of retaining 30-year terminable settlements, at present at least, and until the communications of the country have been opened up by railways.

The staple by which the increase of the prices should be tested would here, and I believe all over Rohilkhund, be wheat, as the proportion of wheat to the cultivated area ranges from 30 to 36 per cent. in different pergunnahs, and far exceeds the area of any other crop. The prices of other crops are also regulated to a great extent by the price of wheat, and can always be known to within a very small margin of error by ascertaining the price of wheat.

This district (Shahjehanpore) certainly is so backward in rents and means of communication, in addition to there being large areas of reclaimable waste lands in various parts of it, that a permanent settlement, with the reservation even of rateable increase of revenue in proportion to the increase of prices, is quite out of the question now. The amount of culturable waste, putting Pergunnah Khotar out of the question, is perhaps the most unimportant of the reasons in the scale against this district being ripe for a permanent settlement.

Answer to Question 3.—In considering the question of whether the share of rental-assets left to proprietors at 50 per cent. or half-assets assessment is excessive, it must be borne in mind that the Government demand is collected with great punctuality, and no delay or evasion worthy of the name is permitted. Whatever the calamities of the season (excepting only downright famine) the Government demand must be punctually met, whether the rent has been collected from the cultivator or not; even in extreme cases, such as that of famine, the immediate collection is only temporarily suspended, and collection of the delayed balance, together with the recently-due instalment, succeeds before there is a possibility of things having righted themselves, and before the proprietor has received even a moiety of his own rent.

The punctuality and unavoidability of payment of the instalments of Government revenue must never be lost sight of. The margin of profit allowed by the half-asset assessment is doubtless sufficient and liberal in good seasons, and while all goes well, but it is not sufficient to allow of proprietors laying by in a good season, a surplus to meet with promptitude and without borrowing, or some considerable privation, the regular instalments, even after but a partially indifferent season. Government might take 70 per cent. in a good season if it would reduce its demand to 30 or 35 per cent. in a bad season, and the zemindars and asamees would all be better off than they are now—even if there were four good seasons to one bad one, and Government received and the zemindars paid (and collected proportionately from their asamees) a net 62 per cent. on the 5 years, instead of 50 per cent. on the same period annually.

Assuming, however, that the collections and payments must be uniform and punctual, this fact must be kept steadily in view in discussing the adequacy or the reverse of the half-asset assessment, or whether the share of rental assets thereby left to the proprietors is more than is necessary.

It must also be remembered that it is not a net 50 per cent. that is left to the zemindar by any means, but that out of this nominal one-half of rental assets have to be met all risks of collection—such as bad debts of cultivators who have died or failed and decamped, and uncollected arrears standing over from year to year, which are far from merely nominal, but are, on the contrary, regular and unavoidable appendices.

There are also all the expenses of management and collection besides the regular contribution towards the pay of the village accountant at generally 5 per cent., sometimes as high as 6 per cent., and the local cesses at 10 per cent. on the jumma; these two items alone taking 15 per cent. out of the gross 50 left to the proprietor. Under no circumstances, therefore, can the share of the rental left to the proprietor be correctly called 50 per cent., but rather 42½ per cent. In the case of small sharers, this is further reduced by 2½ per cent. by the compulsory payment of 5 per cent. on the jumma to the lumberdar.

The sales and farms for arrears of revenue, and the transfers of property by sale and mortgage *due to severity of assessment* are, in this district, I believe, below the average of Rohilkhund, or any part, or the whole of the North-Western Provinces. The reason of this has not to be sought for far. The assessment was at nominally about 66 per cent. as a rule. I am convinced it was considerably less, and whatever it was, even in the heaviest assessed pergunnah, it was a reduction.

The whole of the district (with the exception of Pergunnah Bangaon assessed in Futtehgurh, and subsequently transferred to the Julalabad Tehseel, of which mention will be made separately) was assessed by Mr. Muir, and the only two pergunnahs in which that assessment was a heavy one—nearer 70, I think, than 66 per cent. on the whole—were Julalpoor and Burragaon; but in both of these Mr. Muir's assessment was a very considerable reduction on the previous one, 19 and 14 per cent. respectively. Apparently, this reduction was regulated so as to meet the special cases where relief was most needed, and the "mouzahwar" jummas were assessed more with a view to the capabilities of the proprietors to pay, than with any decided proportion between the Government demand and the rental assets.

In support of my views, I quote paras. 11, 12, and part of 14 of Mr. J. W. Muir's Settlement Report:—

"11. Having thus given a short statement of the capabilities of each of the pergunnahs, and of the people belonging to them, I now come to explain the state in which I found them as regards the assessment. When I pronounce them all to have been labouring under the pressure of a very heavy assessment, my assertion will not be startling to any one acquainted with the condition of Rohilkhund. The pergunnahs in question, till the 4th Settlement, formed part of Zillah Bareilly, and underwent the

same process of settlement in former times which that district did. It is well known that the Bareilly District was over-assessed, and that by Regulation VII. of 1822 settlements, by summary settlements, and by settlements under Regulation IX. of 1833, reductions of which the aggregate may be stated at two lakhs, have at different times been granted. The seven pergunnahs of Shahjehanpore, now settled, had hitherto been favoured with but little relief, and it is therefore not to be wondered at that, on a total jumma of Rs. 4,66,679, I have now allowed abatements amounting in all to Rs. 79,887."

"12. The over-assessment of these pergunnahs may be traced in a great measure, more particularly in three tehseeldaree divisions out of the four, to the great increase of revenue that was imposed under former settlements, the enhancement of jumma since 1210 being more than the resources of the majority of estates were adequate to. The fresh revision of the assessment, particularly at the third and fourth settlements, was made the means of raising the jumma as much as possible—an object, the furtherance of which was enjoined as the peculiar duty of all the pergunnah tehseel officers, particularly of the canoongoes. To the latter rewards even were held out, and accordingly, it is said that Dheeree Dhur, the canoongoe of Mehrabad, received the present of an elephant from Mr. Trant, for his exertions in being instrumental in raising the jumma of that pergunnah at the fourth settlement. The consequence of these enlargements of assessment has been, that the people have been kept in poverty ever since; that numbers of malgoozars have been ruined; and that, except in favourable seasons, great difficulty has been experienced in the realization of the revenue."

14. "The condition in which I found the people of the different pergunnahs as I visited them, one after another (independent of the consideration of temporary embarrassments arising out of the past calamitous season), proved how much they stood in need of alleviation of assessment. The great mass of the proprietors are in circumstances of extreme indigence, caused, I have reason to believe, principally by the heaviness of the jumma. The Thakoors of Mehrabad, Khera Bujherah, and Julalpore, and the Puthans of Tilhur, are alike impoverished. The exceptions of wealthy malgoozars are very few, and those of this description met with appear to have gained their substance from other sources than the profits of their estates. It is matter of surprise how, under such circumstances, the jumma was realized, but this it was found had only been done with very great difficulty and distress to the people. Things, however, had come to a crisis, and could not have gone on much longer without a reduction of assessment."

In the other pergunnahs of the district, not included in the foregoing quotations (omitting only Pergunnah Khotar in which population and cultivation were spreading, and half the pergunnah was jungle), there was also a reduction—*viz.*, of Rs. 40,069—on a former jumma of Rs. 5,67,126, or 7 per cent.

The only part of this district that can be taken as a sample of the result of a 66 or 70 per cent. of assets assessment is Pergunnah Bangaon, which, on being transferred to Tehseel Julalabad, was incorporated into Pergunnah Julalabad, and was not kept as a separate pergunnah. It was transferred just before the revision of Mr. Robinson's assessment of the Futtehgurh District for reduction took place, and in justice should have been included in it, but was not. It contained 51 villages, in 25 of which farms for arrears of revenue, and sales and mortgages, to outsiders occurred during the term of settlement chiefly in the early part of it, exclusive of the private sales and mortgages amongst the various members of the Rajpoot proprietary communities. I quote the following from my rent-rate report of Tehseel Julalabad:—"These sales and mortgages do not include any of the transactions amongst the brotherhood which have been numerous, but apply only to dealings with outsiders. Strange to say there have been no auction sales for balances; they appear to have been warded off by the combined efforts of the shareholders, and by the many transfers which have taken place privately amongst themselves."

The assessment here was in name and reality 70 per cent., and would have been still more ruinous to the proprietors than it was, but for a very considerable margin of culturable waste, and the fact of the cultivated area increasing from 21,399 acres at Mr. Robinson's assessment to 25,148 acres at the late measurement, and the jumma which had fallen at settlement at the rate of Rs. 2-4-4 per cultivated acre coming down to Re. 1-15-0.

Although such great reductions were granted by Mr. Muir, and although on the whole his assessment was a light one, and below 66 per cent., yet in almost every pergunnah further reductions were found absolutely necessary in special instances,—*e.g.*, in Tehseel Shahjehanpore Rs. 797 in ten villages; in Pergunnah Nigohee Rs. 2,402 in 42 villages; in Pergunnah Julalpore Rs. 576; in Pergunnah Khera Bujhera Rs. 1,593, in Pergunnah Burragaon Rs. 571.

As to the question, whether the Government share of the rental should, as a matter of public policy, be in all cases limited to 50 per cent., I am of opinion that it should not be, but that a divergence should be allowed on both sides—*viz.*, that in the case of large communities consisting of a great number of shareholders, whose sole occupation is cultivation, some relaxation below the full 50 per cent. should be openly acknowledged, and not be merely left to the discretion of the Settlement Officer, and to the chances of his being soft or hard-hearted. I recommend 50 per cent. on half assests being retained as the rule for all ordinary villages and average properties; that for coparcenary estates, where proprietors are numerous, the percentage be 40 as a minimum, when there is, at the half-asset rate, a very considerable increase in revenue, otherwise ordinarily 45 per cent.; and for large estates, the gross income of which is over six thousand rupees, where the proprietor is a speculator or money-lender, and is not a landed proprietor by profession or descent, the percentage be 55. I would not include in this category the old landed proprietors of name, and position, and influence, who have a position to maintain, and who are really landed gentry, dependent on their estates for their livelihood, and not merchants or traders. But where the assessment is 55 per cent. it must be clearly and openly stated, otherwise, as all calculations of a zemindar's means are made on the Government jumma he pays, and the one invariable gauge for estimating a zemindar's means and profits is the amount of the Government revenue paid by him, all other rates, and taxes of every kind and description, will be raised upon such zemindar under a misapprehension of his assessment having been made at half assets. These changes would necessitate an alteration of the Cesses Act (XVIII. of 1871), as therein the gross assets are estimated at double the jumma.

Doubtless Settlement Officers have very great discretion in individual cases allowed to them now, but then it is quite undefined beyond the "about half-assets, and mind you dont under do it, or over do it." The exercise of this discretion, as I have observed, depends mainly on whether the Settlement Officer has a hard or soft heart, and also as to how far he is carried away by the set of opinion of the time, just now the great outcry in some of the papers of the wholesale sacrifice of revenue. Certainly some margin should be given for assessment below 50 per cent. for large proprietory bodies, and it is not fair on the Settlement Officer to throw the entire responsibility on him of using his own discretion, without giving him some distinct limits within which the discretion is to be exercised. Undoubtedly the half-asset rules are needlessly liberal, and the assessments at those rates leave an unnecessarily large margin of profits to the *non-resident banking and money-lending speculators* and *investors in landed property*—profits moreover to which they have no claim or title. There would be no fear of the assessment at 55 per cent. being so high, that, in the event of subsequent disintegration of the estate, the jummas on individual mouzahs would be too heavy and so disproportionately large, with reference to the assets, that the revenue could not be borne by and collected from any such mouzahs when separated from the original property,

The following table prepared for Tehseel Shahjehanpore shows the average incidence of the present demand on petty proprietors, as well as on those who are not petty proprietors but proprietors of average estates for this tehseel and district :—

Designation of Proprietors.	Number of Mehals.	Number of individuals.	Cultivated area in acres.	Government Revenue.	Cesses at 10 per cent. and Putwaree's fees.	Total demand (not including Lumberdar's fees) paid to Government.	Balance of rental assets remaining.
				Rs.	Rs.	Rs.	Rs.
Petty proprietors, ..	264	3,226	70,569	1,05,332	15,800	1,21,132	89,532
Others, not petty proprietors, ...	475	597	108,379	1,85,339	27,800	2,13,139	1,57,539

Averages per Individual Proprietor of—

Designation.	Cultivated area in acres.	Government Revenue.	Cesses, &c.	Total demand paid to Government.	Balance of rental.	Surplus assets per mensem.
		Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Petty proprietors, ...	21¾	32 10 4	4 14 5	37 8 9	27 12 0	2 5 0
Other proprietors, ...	181¼	310 8 0	46 8 0	357 0 0	263 14 0	22 0 0

By this it will be seen that, in the case of petty proprietors, the average rate per recorded proprietor of surplus rental is only Rs. 27-12-0 per annum, and Rs. 2-5-0 per mensem, out of which have to be met all incidental expenses, arrears, &c., &c.

This average is, however, very greatly reduced, below what is a fair average of the ordinary petty proprietors by containing 21 coparcenary villages, in which the numbers of the shareholders are very large—no less than 1,159,—and the average cultivated area per shareholder 11 acres, Government revenue, plus cesses, Rs. 16-0-0, and balance of assets Rs. 11-14-0 per annum, and Re. 0-15-9 per mensem. It is very evident that these pettiest of proprietors cannot subsist *on their property*, and it is the cause of such as these—for an assessment at 40 or 45 per cent,—that I have urged. After deducting these pettiest of proprietors from the detail already given of "petty proprietors," the averages of "petty proprietors" are as follows per individual recorded shareholder (not per separate member of family) :—

Cultivated area in acres.	Total Government demand.	Balance of rental assets per annum.	Balance of rental assets per mensem.
	Rs. a. p.	Rs. a. p.	Rs. a. p.
33	49 9 9	36 10 9	3 0 11

In the same way if the largest proprietors—*viz.*, those who own more than one entire village—be eliminated from "the others, not petty proprietors," the average is very considerably reduced, *viz.*, to about double of that given just above. From this it will be seen that the share of the rental left to the proprietors, omitting—(1) the pettiest and (2) the well-to-do and wealthy, who are the exceptions to the rule, varies between 30 and 80 per individual recorded proprietor per annum, and out of this have to be met, as already several times mentioned, all expenses and losses, which reduce the surplus profit left for food and clothing very considerably, the exact amount cannot of course be stated. Does it appear from this that *too large* a margin of profits is left to the proprietor by the half-asset rate of assessment? I say decidedly not. Here, too, I must explain that I selected the Tehseel of Shahjehanpore, solely because it is the only one in which the records are sufficiently advanced or complete to allow of such details being prepared. It must also be remembered what great labour is necessary to obtain these details; for it was necessary to abstract the various shares for every individual for every mehal—*viz.*, 739 mehals and 3,823 individuals,—and to exercise the greatest caution that the name of the same individual did not appear twice over.

Answer to Question No. 4.—In this district there was comparatively little enhancement under Act X. prior to the commencement of settlement work, and generally the

enhancement decreed was almost nominal, though in some few cases rates were raised most excessively.

The approaching settlement was in part the cause, but no doubt a good deal was due to the belief generally prevailing that the Appellate Court was opposed to any enhancement, and that any decision decreeing considerable enhancement had but little chance of standing on appeal. There was, perhaps, but little foundation for this belief, but it generally obtained and affected the conduct of the parties, and, no doubt, to some extent that of the subordinate Courts.

For some years before settlement operations commenced, I believe, almost all real enhancement was carried out privately without the intervention of the Courts, and enhancement so carried out is slow and gradual.

I believe, then, that there was a partial check to enhancement of rent for several years, but this cannot be attributed to the natural results of the operations of the rent laws, and I do not think that the Government demand for land-revenue has been thereby restricted; full rent-rates being assumed for assessment where low rates now prevail.

In many cases where the enhancement of rent subsequent to assessment has been most heavy, I have found that the zemindars had 6 or 8 years previously sued for enhancement, and the claims had either been dismissed, or but very little enhancement decreed, but a full rental had been assumed for assessment.

I do not think that the rent laws restrict the Government demand to any material extent, but I consider that the rent laws do restrict the necessary enhancement of rent subsequent to assessment, and unnecessarily tie the hands of the Settlement Officer.

As far as my experience goes, landlords invariably sue under Clause 1 of Section XVII., on the ground that the rates paid are lower than those prevailing in the neighbourhood. Clause 2 of Section XVII. is, I fancy, almost a dead letter in these provinces.

During seven years' pretty constant enhancement work, I have never had a case under Clause 2 instituted before me, and there has never yet, to my knowledge, been any important ruling under the clause in the North-Western Provinces' High Court. The only reported cases I know of are a few from canal districts, in which the claim was based on an increase in productive powers due to canal-irrigation.

I know of no case based on the increased value of the produce, by far the most important of the two grounds included in the clause. The zemindars and revenue agents do not as yet understand the clause, and we are still in doubt as to the interpretation of the clause that may be adopted by the High Court, though probably the Court will concur with the celebrated Full Bench Ruling of the Calcutta Court enunciating "the proportion theory," though Sir Barnes Peacock, the only dissenting Judge, doubted the applicability of the rule to the North-West as likely to interfere with the Government revenue, and materially affect the next settlement.

Suits under this clause would be still more dependent on individual opinions and bias than those under Clause 1. Clear proof cannot always be procured, and from the same data the most opposing conclusions can be drawn according to the views held by the person using the data. Thus the *Indian Observer* argues that the history of prices in these provinces shows a series of violent oscillations rather than any permanent rise; while Settlement Officers have commonly estimated the rise at 40 or 50 per cent., and Mr. Crosthwaite, in Etawah, as high as 100 per cent. during the term of settlement, and in this report it is shown to be 95 per cent.

This clause only meets the case of low rents of long standing, but in tracts where rents have remained unchanged since settlement, should be generally used by the landlords.

My experience in this district has been chiefly in enhancement claims following assessment, and instituted on the ground in Clause 1, and only in the last year or two has any difficulty been experienced. When I took up enhancement work in 1869-70

in the tehseel first assessed, the tenants in village after village agreed readily to whatever rates I suggested, very commonly themselves fixed rates that to me appeared too high, and enhancement could then have been carried out to a very much greater extent than was requisite. The preceding seasons had been most exceptionally favourable to the cultivators, as in this district we had fair crops in each harvest, and scarcity elsewhere caused very high harvest prices.

Now we have had a couple of years of lower harvest prices, and high prices in the interval at the time when tenants effect their loans, and there has been injury from excessive rain, much sickness, and great loss of cattle.

Some of the poor land recently broken has again become fallow, the cultivators are in a depressed state, and little inclined to agree willingly to enhancement, and hence almost every case is disputed by some at least of the tenants.

I think that, under the existing law, Settlement Officers are placed in a false position.

This work is made over to them presumably as being specially fitted for the work by their intimate knowledge of the soils and rent-rates, and then they are expected to decide the cases without using their personal knowledge. A Settlement Officer should be allowed openly to use his personal knowledge of the village and its rates, and of the tract generally, whether acquired before or during the trial of the case.

As it is, the Officer trying the case has commonly a more intimate and accurate knowledge of the rent-rates prevailing than could possibly be acquired in any particular case, but he properly ought to decide on the evidence brought by the parties. He can only properly use his own information by making a personal local investigation during the trial, and this can sel dom be done.

I also think that the rent-rates assumed for the village at assessment should be presumed to be fair—either party being permitted to prove them unfair.

The Settlement Officer's enquiries for assessment, and his deductions therefrom, are not in form to be readily put into the shape of legal proof, and, in fact, we have now to attempt to prove, by an imperfect enquiry, what has already been proved by a more extended and trustworthy investigation.

In this district enhancement of revenue is generally considered by the people to be the best ground for a claim to enhance rent, though sometimes the tenants allow the landlord's claim to a rental double the revenue, and sometimes to an enhancement of rent equal to the enhancement of revenue, commonly the parties persist in disputing solely as to the justice of the claim on these grounds, being quite unable to understand that the assessment of the revenue is legally a matter quite irrelevant to the claim.

In his decision in a case appealed from me, the Judge recorded his opinion that the existing law is defective in not allowing Settlement Officers to use the sources of information open to them. This case had, I think, been remanded for the preparation of a statement of individual fields in the form prescribed by the Board's Circular.

I have tried, as far as possible, to fix rates only on the average rates paid over large areas, and have little faith in statements of exemplar fields. In the pergunnah from which I have recently had most of my enhancement work, rates vary most capriciously from field to field, and a "*nuksha choumenda*" may show, or be made to show, any result.

I should prefer seeing the Settlement Officers freed from the necessity of conforming to Act X. rules, and from the control of the Civil Courts, and permitted to fix rent as they now fix revenue on the fullest consideration of all causes affecting the circumstances of the land, and it appears to me that any arguments justifying appeal

to the Civil Courts, should be almost equally forcible in justifying a similar appeal from the assessment of the revenue.

The foregoing reply to this question was written, at my request, by my Assistant, Mr. Butt, and I agree with him in every particular. I have already mentioned in a previous part of this report that rents in this district are entirely in money, and that they have been so for so long a time that the proportion which the rent is supposed to bear to the produce is unknown, and no proof of it could be obtained.

In Bareilly, where commutation cases from payment in kind to money rents is being largely carried out, there is not this difficulty. There the rates in commutation cases run some 30 per cent. (so Mr. Moens tells me, and I asked him expecting such a reply) above the existing money rates for similar land; and of course the existing money rates can at once be raised to those fixed in commutation cases. I propose obviating a good deal of this drawback and inconvenience of the information about rents obtained by the Settlement Officer not being brought into play in enhancement cases by making the investigation into the pergunnah average rent-rates deduced from large areas of soils a judicial proceeding, the correctness of the deduced soil-rates being authenticated by the signatures of the proprietors and village accountants. Then, I believe that this proceeding, as a whole, and special selected instances of similar and neighbouring villages contained therein, may legally be quoted as proof by the officer before whom the enhancement case under the Act is tried. But even this will not help us beyond levelling up low rates to what exist elsewhere in the vicinity; for the rates *assumed* as basis of assessment in advance of the actual *deduced* rates will, of course, not be allowed by the Civil Courts. I also think that the fairness of the proceeding is open to great cavil and imputation of a grasping at stamp revenue when the proprietors see that the Settlement Officers, with a mere stroke of the pen, can assume any rates they like in reason (or to them out of reason) for assessing revenue, and when they ask for those rates on their cultivators, they find that the Settlement Officers refer them to the Act, and that the petition has to be presented on a very heavy stamp.

Answer to Question 5.—The extent to which, on theoretical grounds, enhancement of rent-rates beyond the present prevailing standard is assumed by me as a basis of assessment, as well as the extent to which, in my opinion, it may safely be assumed, is the full limit to which rent-rates will rise immediately on the declaration of the revised jummas—that is to say, within a period of two or at the outside three years from the commencement of the new assessments. This limit and amount it is not easy to fix, and it cannot be defined by any universally applicable percentage or proportion in excess of existing rates. Nor can any one general theory for calculating it be maintained which shall be universally applicable. But the point to be kept in view, and to be obtained according to the varying circumstances of the case, is the level which will be reached in the general rise of rates which is inseparable from, and immediately consequent upon, the revision of the Government demand. In some districts, but less here, for reasons already explained in answers to previous questions, than even in neighbouring districts, the relative proportion between rents and prices, and the gradual rise of rates during the last ten years, may be the theory to be worked out. The theory of actual transactions within the space of a few years, unless those transactions apply to very large and extended areas, and can be shown to be more than mere arbitrary enhancement on tenants-at-will, is, I consider, extremely unsafe. But each of these may be, and all are here taken into consideration in estimating the probable immediate rise which may be reasonably expected, and in calculating the anticipated level which rates will reach withint hree years after commencement of revised assessments.

Any assumption of rise in rents beyond this, based even on the most plausible grounds, I look upon as dangerous and to be guarded against. It would be far better to raise the rate of assessment above half-assets than to allow any such anticipation

of rise in rents, which can only be roughly guessed at, and which allows scope for subordination of probabilities to preconceived opinion. Even, if it was possible to ascertain with accuracy, what the rise of rents will be during the course of the settlement, and to calculate (with the accuracy of the most skilful actuary) with ever such nicety the fair proportion thereof to be assumed now, and the assessment be made at 50 per cent. thereof, that is not what is usually understood by an assessment at half-assets. Moreover, if the assessment was now fixed at 50 per cent. of such amount, it would not be bearable but must break down. Besides which the hypothesis is impossible and absurd. Then how much more absurd would it be to allow such a calculation to be made by guess-work.

Answer to Question 6.—I am also convinced of the extreme inexpediency of leaving the assessments open to enhancement or adjustment during a term of temporary settlement with reference to change in prices, depreciation of silver, &c. It would be far preferable, in my opinion, to return to the shorter terms of settlement, even to terms of 12 or 15 years, rather than to meddle in any way with the lease during its currency. I believe that the amount of profit accruing in hard cash to Government would be but small on the whole, and utterly inadequate to, and incommensurate with, the amount of suspicion and ill-feeling which would be created thereby. Also that the consequence would be a very considerable depreciation in the value of property. I think that in some instances a 20 years' term would be preferable to a 30 years' term, and most certainly so in the case of this district, in which at present rents are low and inadequate, though population is dense; which moreover, as already explained, has been hitherto an out-of-the-way place, not on the road to anywhere, and without any decent roads or other means of communication; but is now about to be opened up by a railway right through it, and by numerous metalled roads leading to the railway, and connecting this district with its neighbours. But there is no necessity for my entering into further details on this subject here.

Report by S. M. MOENS, ESQ., *Settlement Officer of Bareilly, dated the 6th May*, 1872.

PRIOR to the settlements under Regulation VII. of 1822, there were no detailed measurements in this district, and consequently no reliable data as to rents. Those settlements were conducted during the years 1829-30-31, by Mr. Henry Boulderson, whose talents and revenue knowledge are still too well known to require pointing out. He devoted a vast amount of labour to enquiries and experiments on agricultural produce, and over a large portion of the district commuted rents from kind to money-rates, which, in most instances, have worked well ever since. His settlements embraced 412 villages from every part of the district and in almost every pergunnah, as shown in the margin. The area covered was sufficiently wide and sufficiently diversified as to soil, situation, fertility, and cultivation, to admit of the facts elicited being accepted as giving true average results for the district at the time, and for the accuracy of the observations Mr. Boulderson's character is a sufficient voucher. It must, however, be borne in mind, that the Regulation VII. of 1822 settlement comprised, as a rule, those villages only which had become deteriorated by previous over-assessment, and in which, therefore, in all probability, the money-rents fixed by Mr. Boulderson were, if anything, rather below the average.

Pergunnah.	*No. of Villages.*
Crore, ...	88
Fureedpore,	31
Nawabgunj,	61
Aonlah,	30
Suneha,	14
Kabur,	4
Sirsawan,	61
Choumaila,	21
Ajaon,	5
Shahi,	84
Beesulpore,	13
	412

In his report dated 31st October, 1832, he thus tabulates his statistics of area, population, and rents:—

	Acres.	
Total area, ...	205,170	
Minhai, ...	62,120 or	30·3 per cent. of the total area.
Culturable waste,	38,413 „	18·7
Cultivated, ...	104,637 „	51·0 or 73·1 per cent. of the malgoozaree area.

Rental on cultivated area 323,945-7-0 or Rs. 3-1-5 per acre.
Population, ... 104,166 or 325 per square mile.

The present area of the district, excluding Pillibheet, is found by measurement to be as follows:—

Total area,	...	...	...	1,261,492	acres.
Minhai,	...	...	...	190,464	,,
Waste,	...	...	...	185,961	,,
Cultivated,	...	...	...	885,067	,,

Taking the total area of the present measurement, and graduating it by the proportions in Mr. Boulderson's table, we get an approximation to the areas of the district (excluding Pillibheet) for the years 1829-1831. Taking the recorded areas for the last settlement, and those for 1846-47 for the same pergunnah as given in Shakespear's Statistical Tables for the North-Western Provinces, we obtain the following table for four periods:—

	Total Area.	Minhai.	Culturable waste.	Cultivated.	Actual jumma, exclusive of cesses.
In 1829-31,	1,261,492	382,232	235,899	643,361	1,622,600
1836-39,	1,223,937	243,326	301,383	679,228	1,487,615
1846-7,	1,317,618	280,964	271,118	759,536	1,469,622
1866-69,	1,261,492	190,464	185,961	885,067	1,662,960 (new jumma.)

The amount of minhai in 1829-31 was swollen by the large amount of revenue-free land, much of which was subsequently resumed between 1841 and 1844; we see that the cultivated area of 1866-69 exceeds that of—

1829-31	By	241,706	acres	or	37·5 per cent.
1836-39	,,	205,839	,,	,,	30·3 ,,

Next taking up population. Unfortunately we have no statistics as to the specific population of last settlement, for it we must substitute the results of 1846; we then have—

In 1829-31,	325	per square mile of 640 acres, excluding the city of Bareilly.			
,, 1846-47,	421·8	,,	,,	,,	,,
,, 1865 (regular census)	615·7	,,			

The increase between	1830 & 1846	was 96·8	per square mile or	32·8 per cent.
	1846 ,, 1865	193·9		45·9
,,	1830 ,, 1865	290·7		89·2

It is clear, then, that there has been an enormous extension of population since 1830. It is foreign to the purposes of this enquiry to go into the causes of this increase. The fact is sufficient, and it is an exceedingly important one when it is borne in mind how largely in this country rents depend upon population.

All the existing lines of pukka roads in Bareilly, and most of the smaller bridges, have been constructed since 1830, thereby enormously facilitating trade by opening out markets for produce.

The Oudh and Rohilkhund Railway is in course of construction through the district connecting it with the great marts of Hattrass and Chundowsee. This, by increasing the trade of the district, should affect its prices, and through them the rents.

We now come to the great subject of prices. I give in the appendix a statement showing the prices of wheat in the city of Bareilly from 1804 to the present time. The prices in the city govern those in the district. The prices from 1804 to 1831 are extracted from Mr. Boulderson's Settlement Report. Those from 1832 to 1836

from the papers of the last settlement, and those from 1837 to the present time, from the books of the large grain-dealers in the city, and from the published price lists.

The table shows the following series of averages in pounds avoirdupois per 1 rupee:—

1.	1804	... 1831	... 87	lbs.	,,	,,
	1832	... 1872	... 70·7	,,	,,	,,
	1832	... 1859	... 77·8	,,	,,	,,
	1859	... 1872	... 57·3	,,	,,	,,
2.	1804	... 1851	... 82·6	,,	,,	,,
	1852	... 1859	... 82·2	,,	,,	,,
	1859	... 1872	... 57·3	,,	,,	,,
3.	1804	... 1851	... 82·6	,,	,,	,,
	1852	... 1872	... 65·6	,,	,,	,,

From these we see—

1. That prices kept to a pretty steady average till 1859—for the prices between 1852 and 1859 differed only by ·4 of a lb. from the average of the previous 48 years.

2. The increase has been steady though rapidly increasing of late years—thus the increase between 1831 and 1859 was only 9·2lbs. per rupee, or hardly enough by *itself* to exert much influence on rents, from 1859 to 1872 the average of increase has been 20·5lbs. per 1 rupee.

3. The real great increase in prices has only been since 1859, and is attributable mainly to these causes:—

(*a*) To the vastly increased expenditure of coin in the district by the cantonment of European troops; before 1857 no European troops were stationed in this district.

(*b*) To the improved communications facilitating export of grain.

(*c*) To the fact that in this short term of 13 years there have been three years of drought and two partial failures of harvests elsewhere. This caused very heavy exports of grain to the west and south.

Of these three causes the last is temporary only, the two first are likely to be permanent. I am inclined to hold that, with a succession of good seasons, the tendency of wheat to fall in price will be checked by the increased export, and that prices will gravitate about their present average, *viz.*, 56—60 lbs. per rupee; and this is the opinion of the leading grain merchants, who have frequently told me that, provided internal peace is maintained, they never expect to see wheat fall below an average of 25 Bareilly seers, or 62½ lbs. per rupee.

We now come to the question of rents.

Mr. Boulderson, in his report dated 31st October, 1832, gives the average rents per acre in the 412 villages settled by him at Rs. 3-1-5 per acre; but, at the same time, he states that in the villages settled by him in 1829 and 1830, there was an unusually large proportion of the poorer soils. In his report dated 7th March, 1832, he, from considerations of produce and prices, arrived at Rs. 3-5-3 per acre as an average rent. Again, in the same report he writes as follows:—

"The usual mode of calculating the value of land for purchase among the Natives is that malgoozaree land sells for one year's *rent* maafee land for 10 years' rent per beegah. The average price of land sold by private sale in this district, taken on the registered transfers of 66 estates, gives Rs. 3-1-0 per acre."

From other parts of his report we gather that voluntary sales were rare. The sellers were usually forced to sell to meet either private debts or balances of revenue. In either case, they would probably get rather under the full market value, as they

would be compelled, by their necessities, to accept the first offer at all eligible. They could not wait to sell advantageously. Further, we must recollect that at Mr. Boulerson's settlement—

(1) The first two years' work included an unusually large amount of the poorer soils.

(2) That it was applied chiefly to over-assessed villages.

(3) That the actual average-rate obtained by dividing the jummabundee by the number of cultivated acres was Rs. 3-1-5 per acre, but that seer was invariably rated at lower than full ryotti-rates.

Hence Rs. 3-1-5 per acre must be rather below the mark, while Rs. 3-5-3 derived from average produce, and prices must be rather above it, for money-rents never keep pace with prices. We may therefore fairly consider Rs. 3-3-0 per acre, or 8 annas per kutcha beegah, as the average rent-rate of that day for the pergunnahs under my charge for settlement.

At the last settlement the Government demand was calculated at 66 per cent. of the assets in all pergunnahs but Furreedpore, Suneha, and Aonla, where 70 per cent. was taken. In Crore, Nawabgunj, and Bullia, however, Mr. Muir's settlement was a decidedly light one, in Beesulpore rather heavy, in the other pergunnahs about correct. Hence, if for the whole we assume that the assessment was 66 per cent. on the assets, we shall be very near the truth.

The jumma of last settlement was Rs. 14,87,615, the cultivated area 679,228 acres. The average rent-rate then was Rs. 3-4-6, setting assessments on waste land in anticipation of its becoming cultivated against low-rates on seer; this was probably the real rate of the day.

The recent settlement enquiries preliminary to assessment showed the following results :—

Seer, ...	66,667 acres.	
Zemindaree, rent-free, and service lands, ...	16,577 „	
Cultivated by occupancy-tenants at kind-rents, ...	203,127 „	
„ „ „ money-rents, ...	407,633	average Rs. 3-5-5 per acre.
Rents, ...	1,360,903	
Cultivated by tenants-at-will at kind-rents, ...	80,907 acres.	
„ „ „ money-rents, ...	107,158	average Rs. 3-2-10 per acre.
Rents, ...	340,756	

The average ryotti-rate on all lands held at money-rents was Rs. 3-4-10 per acre, as against Rs. 3-4-6 at last settlement. The reasons for rents apparently not having risen are clear :—

(1) There has been an increase in cultivation since last settlement of 205,839 acres, or 30·3 per cent., while 185,961 acres still remain uncultivated, though most of this is culturable.

(2) The demand for cultivators to clear the waste checked enhancements on the old lands, which possessed in themselves no marked superiority.

(3) In the northern pergunnahs the competition for asamees with the Turai has tended to check enhancements.

(4) These are natural checks, but an artificial barrier was applied. A condition was entered in the wajiboolurz of last settlement that the rent-rates as fixed at settlement were to remain in force till altered by mutual agreement. At the same time the power of ouster was taken from the zemindar, and he had no means of obtaining enhancements, except by a Civil suit, the costs of which would have swallowed up his enhancement for years.

(5) Till 1859, as shown above, prices differed inappreciably from those of the previous 55 years, and until the waste lands had become cultivated, and the competition for asamees changed into one for land to cultivate, it was impossible to enhance on the old lands.

(6) Act X. was passed, but it took sometime for even the most intelligent zemindars to comprehend the new powers bestowed on them, and then the new settlement operations commenced, and they maintained their old rates as a rule till the new assessments were declared.

(7) Another process, too, was going on. In 1832 Mr. Boulderson wrote that four-fifths of the rents in the district were paid in kind by division of the produce. In 1869, as the table given above shows, out of 801,825 acres cultivated by asamees, only 287,034 acres, or 35 per cent. instead of 80 per cent., were held at butai. Since then rents have been commuted in a very large number of villages, and now I am not above the mark when I say that not more than 30 per cent. of the land held by asamees at the present time is held at "butai."

This is a very important fact, as it shows that an improvement has taken place in the material condition and in the aims of the cultivators, with money-rents come in improved and more laborious cultivation, increased profits to the cultivators, and consequently an improvement in his food, clothes, and small possessions generally. An earthern "burtun" is a rare thing now instead of as formerly being the rule.

We have seen that rents in 1866-69 averaged Rs. 3-4-6 per acre. My assessment at half-assets, excluding cesses, was Rs. 16,62,960. This gives a jummabundee of Rs. 33,25,920, or Rs. 3-12-1 per acre all round, giving an increase of 11·1 per cent., or a little over 1¼ annas per rupee. My rates have been almost universally accepted by the asamees, and the cases in which they have contested them have been rare. In very many, indeed in most instances, the zemindars and asamees have made up my jummabandees by mutual agreement without coming into Court at all. The question is whether a further rise in excess of my estimates is immediately probable. Omitting decimals, the average harvest price of wheat from 1804 to 1858 was 82 lbs. per Re. 1. From 1859 to 1872 it has been 57lbs. per rupee—in other words, the value of money has decreased 30½ per cent. Taking wheat as our guide, the rents which were Rs. 3-4-6 in 1836 should theoretically be Rs. 4-4-6 in 1872. I calculated out crop-rates in the different pergunnahs, based on average produce by experiments, on the average prices of 20 to 30 years omitting the famine years, and on the average shares of produce taken by the zemindars in each pergunnah. My total rent-rate so obtained was Rs. 3-14-3 per acre, taking the average prices since 1859 only, the rate would have been about Rs. 4-4-6.

But it must be recollected—

(1) That money-rents never keep pace with prices, and where rents are taken in kind, the inferiority in cultivation nearly counterbalances the extra profits from prices.

(2) The best test of a cultivator's circumstances is the fact of his borrowing seed or not. Now I have made careful enquiries in a number of villages selected at random from five tehseels where money-rents are prevalent. The result was that out of 4,369 asamees, 1,380 only never borrowed seed; or, in other words, about one-third are independent and well off, the rest live from hand to mouth. A considerable portion of the rent fund is thus intercepted by the mahajun with his tremendous rates of interest. The cost of cultivation is increased, and less is available for rent.

(3) With the rise in prices the cost of cultivation has increased, seed-grain costs more than formerly, a serious consideration where two-thirds of the asamees are compelled to borrow it in October, and repay the money-value in grain at the "Akhtij-ke-bhao," with 25 per cent. interest on the six months. The cost of plough-cattle

has largely increased. A—pair that 12 years ago could be bought for Rs. 12, now costs Rs. 18 to Rs. 22. The rates for day-labour are beginning to rise owing to the great demand for labour caused by the railroad, the new canals, the cantonments, and improved and more laborious cultivation.

(4) Among all cultivators the standard of living and comfort has been raised considerably during the last 20 years, and especially since 1859. Lalla Gulzari Lall, a retired Deputy Collector, who commenced service in this district in 1828, informs me that 30 to 40 years ago, the cultivators were universally in a state of abject poverty. They retained a bare starvation allowance from the produce and nothing more. Metal, cooking utensils, and dishes were rare, and their clothes were scanty, usually confined to a short "langoti" and a blanket. *Now* every man has a good stock of metal dishes, &c., a good suit of clothes for best, and good long "dhotis," &c., for ordinary wear. Their food is more abundant and of far better quality, and many keep small "Leroos" or travelling carts. We have not yet come to pure competition rents, and the ultimate limit of rent is the surplus produce of the land after the deduction of such wages as will maintain the labourer in the standard of comfort which has become habitual to his class. From this surplus, however, must be deducted the sums that go into the hands of the mahajun as interest on short advances for seed and cattle. The standard of comfort has been raised; the cost of cultivation has been increased—

(1) Generally and (2) by the amount paid in interest by the indebted class who form two-thirds of the cultivators. Rents are, to a great extent, though not entirely customary, and the unindebted class will not pay higher rates than those which their indebted brethren can afford to pay. Hence I think it is clear that rents cannot possibly keep abreast with prices.

Making allowances for all causes, I do not anticipate a rise in the *general average rent-rate* beyond Rs 3-14-0 for many years to come. The Turai Pergunnahs, parts of Rampoor, Poorunpoor, and Powayen, not to mention North-Western Oude, will carry off all our surplus labour for the next generation at least, and I have already discounted the actual rise in rents which I knew must come after settlement, and which has come.

In individual villages rents may slightly either rise above or fall below my estimates, but I do not think that my general *average* rate will be materially exceeded.

As far as Bareilly is concerned, I do not see the possibility of laying down any general standard rate as a test of fitness for perpetual settlement. Here rents depend mainly:—

(1) On the proportion of the agricultural population to the culturable area.

(2) On soils.

(3) On climate.

The average rate being Rs. 3-12-0, a village may be paying an all-round rate of Rs. 4-0-0, and yet not be fit for perpetual settlement, for the land might be good doomut worth naturally Rs. 5-0-0 an acre all round, and yet only paying Rs. 4-0-0 on account of either a deficiency of population, or from the fact that it is populated by some caste of inferior agriculturists—such as Beldars, Mewattis, Turks, Kayeths, and others, and wretchedly cultivated.

Again, in the bhoor pergunnahs there are villages paying all-round rates of Rs. 2-0-0 to Rs. 2-6-0 per acre, which, considering their soils and produce, are as fully deserving of a permanent settlement as doomut villages in Sirsawun or Ritcha paying Rs. 4-12-0 to Rs. 5-0-0 per acre. I am unaware how the average rent-rate in Bareilly stands with reference to those of the Doab Districts, but I should think no standard rate could possibly be laid down to apply to all alike. Each district should be treated on its own merits. Bareilly cannot have a permanent settlement until the completion of the canals which are being laid out in every direction, and until their results are known. At present it is quite uncertain whether they will make or mar the district.

The only argument that, as far as this district is concerned, can be urged against the above view, that rents have for the present risen to their full limit is the great rise that has taken place in the last five years in the value of land.

The following shows the average sums per acre realized on all sales and mortgages of malgoozaree lands in the three tehseels of Furreedpoor, Crore, and Meergunj, as taken from the records :—

(*a*) For the five years, 1862-1866, before the declaration of the revised jummas.

(*b*) For the five years, 1867-1871, inclusive after the same.

	Tehseels.	Period.	Area in Acres.	Price in Rupees.	Average per acre in Rupees and decimals.	Rate of interest on capital, giving profits at 45 per cent.
Sales.	1 Furreedpore, ...	1st Period, ..	5,747	52,889	9·2	
		2nd „ ...	3,003	40,536	13·4	7·4
	2. Crore, ...	1st Period, ...	11,618	1,63,969	14·1	
		2nd „ ...	5,882	1,24,494	21·1	5·8
	3. Meergunj, ...	1st Period, ...	3,134	43,296	13·8	
		2nd „ ...	1,366	19,304	14·1	7·7
Mortgages.	1. Furreedpore, ...	1st Period, ...	6,294	47,597	7·5	
		2nd „ ...	4,437	36,805	8·3	
	2. Crore, ...	1st Period, ...	9,874	1,19,126	12·0	
		2nd „ ...	6,387	99,916	15·6	
	3. Meergunj, ...	1st Period, ...	4,099	33,819	8·2	
		2nd „ ...	7,053	81,658	11·5	
	Grand Total, ...	1st Period, ...	20,499	2,60,154	12·6	
		2nd „ ...	10,251	1,84,394	18·0	6·3

The higher prices obtained for land in Crore, as compared with the other tehseels, is on account of its propinquity to the city where all the capitalists reside, and the consequent greater facility in management and greater advantages for disposal of produce. Mr. Berkely has offered for sale in two lots 15 villages in Crore, and has received *bonâ fide* offers aggregating Rs. 1,60,000, on which profits calculated on the jumma give almost exactly 6 per cent.

Recently a large Ilaqa in Nawabgunj, which had been under mortgage almost since last settlement, was redeemed and remortgaged at 9 per cent. Mr. Boulderson's statement as to 1830 was that villages in his time sold for 10 years' purchase of profits, or that the rate of interest yielded by land was 10 per cent. This rate remained almost unaltered till 1862, when it fell to 9 and even 8 per cent., which rate remained till the new settlements were declared, since when it has fallen to from 6 to 7½ per cent.

It may be said that purchasers are trusting to enhancements in rent to recover the former rate of interest. But I do not think that this is the true explanation. I attribute the rise in price of land—

(1) To the large amount of money awaiting investment, especially in the hands of Mahomedan capitalists, who are forbidden by their religion to take interest openly, and prefer investments in land ;

(2) The settlement operations have exposed the true value of villages, which, especially where rents were taken in kind, was formerly unascertainable with any degree of accuracy by intending purchasers. As the village papers were (*sometimes* unjustly) looked on as pure fiction to gratify an unintelligible caprice, or the prying propensities of the "Sirkar."

(3) To the confidence felt in the accuracy of the new settlement, and the removal of all fears and doubts of its amount;

(4) To the increased prosperity of the zemindars resulting from the rise in price, and the consequent comparatively small amount of land in the market.

I know, and the capitalists know that where rents have been enhanced all over a village *now*, and the cultivators have obtained certified extracts from the new jummabundee, signed and sealed by the Settlement Officer, no enhancement in rents will be accepted by the cultivators for the next 10 years at least, and I have shown above that I have gone pretty near to the probable future limit of rent. Hence I think that the rate of interest yielded by land now, being from 6 to 7½ per cent., while safe investments in Government notes and guaranteed securities are obtainable at 4½ or 5 per cent., land has reached its present limit of value in this district, and permanent settlement might safely be conceded as far as this consideration of rents is concerned.

II.—Having I hope shown, from a variety of considerations, that the rates assumed are adequate, the next question is as to the advisability of a permanent settlement, based on a fixed quantity of produce commuted to money from time according to the average prices of produce.

(1) This is a very taking programme theoretically fair to all parties, but I fail to see its possibility in practice. After all, under this system, the assessments will be still paid in *money*, and the amount will be variable and subject to increase or decrease periodically, consequently to the Native mind the settlement will in no way be *permanent*. True, we may say, that we will not tax your *improvements*: we will only alter our assessments according to the change in produce prices, but it would be hopeless to make the zemindar either believe or understand such a complicated system. His assessment is to be fixed in grain, but paid in money to be permanent, yet, as far as he can see, liable to increase 20 years hence. We should be laying ourselves open though undeservedly to fresh charges of broken faith. The average Native would infinitely prefer an ordinary 30 years' settlement to such an entanglement.

(2) The next difficulty is as to the staple to form the basis of value. The suggestors of the scheme (which is a very old one) and the author of the article in the *Calcutta Gazette* appear to have forgotten entirely that in most parts of the North-Western Provinces, except in the worst lands, there is a regular rotation of crops. Here in Bareilly the rotation depends on the soil. In the sandy loams, bajra or other coarse khurreef, wheat, gram, and cane form the rotation. In the best loams, mukka and wheat. In the dayey loams, rice, wheat, gram, and cane. In the stiff clays, jowar and rice, and occasionally a little cane, wheat, and gram, with linseed, &c., as a dosalee crop. In the very sandy soils, coarse khurreef and barley are alternated, which of these are we to take? Omitting the dosalee crops, the main staples of the district are as follows:—

Rice 21·9	per cent. of cultivated area.
Bajra 17·1	,,
Sugar and Pundra 8·8	,,
Mukka 4·7	,,
Wheat 23·3	,,

but no one of these would suit the whole district. Wheat would be the best, but the prices of wheat might vary, and those of bajra or rice remain stationary. In this case an increase in assessment might and probably would utterly break down those villages dependent from the nature of their soils mainly on their bajra or rice. In the Northern Pergunnahs rice is the great khurreef staple in the Southern, bajra consequently—a combined average price of either wheat and rice, or wheat and bajra—would not suit the whole district, and if this difficulty would be so great in one district, it would be multiplied over the whole of the North-West.

3. Again, with the greatest possible care, equality of assessment is unattainable for 20 consecutive years ; Coormis may leave and be replaced by Mewattis. A well populated village may be depopulated by sickness, and be cultivated entirely by Pahis. Water previously enjoyed may be withdrawn from one village and given to another, or old dams may not he kept up, fifty things may occur to utterly alter the state of things found at the last assessment. Are all the villages to be treated on the one system. Are we to say prices have risen 30 per cent., therefore the assessment of every single village is to be raised exactly 30 per cent., no more or no less ? This would utterly break down many villages. If all are not to be treated alike, but with reference to their actual condition at the time, then we come back to temporary settlements again, with all their evils and all their advantages—what has become of the permanence of the settlement ? If the only object is to prevent the taxation of improvements made by the zemindar's capital, this can be done under a temporary as well as under a permanent settlement as Bombay has taught us.

I can see no advantage conferred by this scheme which would not be attainable with greater certainty under the present system of 30 years' settlements, and the zemindars would certainly prefer the latter which would in future be no more expensive in practice. As far as this district is concerned, and I have had experience of no other, I hold that the system suggested would be impossible to work fairly, and would cause great discontent among the zemindars by the inequalities in the pressure of the resultant assessment.

III.—Temporary Settlements.

I.—The Board's next set of questions relate to the adequacy of the present standard of assessment at 50 per cent. on the rental assets.

It must be remembered that I am writing solely with reference to the district of Bareilly. There is a very wide difference between the present and former system of settlement. The system at the VII. 1822 settlement was to fix money-rents on the fields, giving lower rates to cultivating zemindars and privileged asamees or "rukmis'—a very different class to the present occupancy tenants, who were then unknown. From the resultant jummabundee from 5 to 8 per cent. were deducted as village expenses, and from the remainder 10 per cent. was allowed to the zemindars as profits, the balance was the Government jumma. Strictly this would give a jumma of Rs. 82 to 85½ per cent., but actually Mr. Boulderson's assessment fell at 78·74 or 78½ per cent. of the jummabundee. It is evident from his reports that his rents were fixed with the utmost care, and to this day his knowledge of agricultural matters is spoken of with wonder by the old men. The setttlement was formed between 1829 and 1831. The IX. 1833 settlement was commenced in 1835, and was supposed to be on a basis of 66 per cent. of the rental, yet in not above 25 out of the 412 villages settled by Mr. Boulderson was the jumma reduced. Where is the proof that the settlement *was* at 66 per cent. ? In Bullia as shown to demonstration in the rate report for that pergunnah, it did not exceed 53 per cent. In Beesulpore and Furreedpore, the IX. 1833 assessment broke down altogether within 7 years, while in Crore it was hardly above 50 per cent. of the assets. In Meergunj and Sirsawun Mr. Boulderson's settlements were retained. On the average of the whole district, the assessment was about 66 per cent., but this could not be predicated with certainty of any single pergunnah, much less of any single village, and it was impossible that it should be for—

(1) Mr. Muir threw over soil-rates altogether. See his report for Crore, para. 20, Shahi, Kabur, and Sirsawun, para. 19.

(2) He used a general revenue-rate on the cultivated area as his standard for assessment. This he obtained by taking the average revenue-rate of those villages which had paid their revenue with tolerable ease and regularity, and he raised or lowered the jummas of other villages to that standard as the history of the village or his own enquiries as to the state of the village, the circumstances of the malgoozar or farming offers might show to be advisable. The system at that time was a good one,

and greatly expedited work. The object of enquiry was to fix a moderate jumma which could be regularly collected, and that object was attained. After the assessment the semindars were ordered to give in a jummabundee, which was proclaimed or ordered to be proclaimed for 15 days, and then if not objected to, accepted as the settlement jummabundee, I can give two instances shewing that no very detailed enquiry was made as to the assets or the proportion they bore to the jumma. In Goojroula in Nawabgunj a jumma of Rs. 1,150 had been regularly collected, but the rate of incidence was higher than that of the neighbouring villages.

The Settlement Officer reduced the jumma to Rs. 600. The mokuddums of Adhkutta, an adjoining village, then offered a jumma of Rs. 1,100, on which the Settlement Officer raised his assessment to Rs. 900.

In Bholapoor Soonkapoor in Crore with a then culturable area of 1,175 acres, and a populous site, and 4 hamlets, the Settlement Officer fixed a jumma of Rs. 300. The fact was the zemindar had thrown all the land but 149 acres out of cultivation.

The following statement shows the number of villages farmed or sold for arrears since last settlement in each pergunnah :—

Pergunnahs.	Farms.	Sales.	
Furreedpore, ...	98	4	The total number of villages in these pergunnahs is 2,570, so that in 8·6 per cent. it has been necessary to resort to sale or farm.
Crore, ...	5	...	
Meergunj, ...	3	...	
Seroli, ...	5¼	¼	
Bullia, ...	...	...	
Aonlah, ...	10	...	
Suneha, ...	7	1	
Nawabgunj, ...	20	6	
Beesulpore, ...	44	4	
Kabur, ...	...	1	
Sirsawun, ...	...	...	
Ritcha, ...	4	...	
Choumaila, ...	6	1	
	202¼	17½	

Still this shows that the settlement was a light one. The fact was that the settlement in several pergunnahs was a very light one. It was made solely on the cultivated area. So that the entire profits arising from extension of cultivation went to the zemindar, and rapidly pulled down the incidence of the jumma. The present scale of assessment at the nominal 50 per cent. is to the full as heavy as the old one of 66, making up the account.

We have—

Land Revenue, ...	...	50 per cent.
Cesses, ...	...	5 ,,
Share of Putwarees' fees,	...	1½ ,,
Lumberdars' cess,...	...	2½ ,,

59

Besides this there is income-tax, choupal expenses, and expenses of collection and management. *Now*, either no available waste is left in reserve, or where there is such a reserve, it has been taken into account in assessment. Julkur and Bunkur assets are also now included, and besides and above all this, there is a far more careful and searching enquiry into the assets than was ever made formerly, and assessments are made not on the rents as given in by the zemindars, but on the actual value of the land,—that is to say, the amount that can be fairly added to the rent-roll, by enhancement of rents to the prevailing standard, is included in the assets for assessment instead of being left to the zemindar as formerly.

My own opinion, and I have had a long experience of the district, is that the present scale of assessment is a high one, instead of being so immoderately low as is sometimes supposed.

II.—I think that it would be inequitable to assess zemindars holding a large number of villages at a higher rate, for—

(1) Their expenses of management are proportionately much higher than those of the small proprietors who can look after their own properties without being compelled to employ dishonest karindas or agents.

(2) From their share of the profits they have to pay karindas, who rob and defraud them in every practicable way. On an equal amount of jumma, a large proprietor would receive a much lower amount of profit than a number of small proprietors.

(3) The large proprietors are compelled by their position to keep up a certain amount of state and expenditure greater in proportion than that of a number of small proprietors.

(4) The jumma should be assessed on every single village, so as to leave a fair percentage of profit should it be separated from the talooqa. This possibility should never be lost sight of.

(5) Whatever the rule adopted, it should be the same for all. I fail to perceive either the justice or the policy of differential rates according to the size of the property. It would be impossible to draw the limits, and it would be looked on as an act of the greatest injustice by the victims, who "exhypothise" would be the men of the greatest wealth and influence in the district. *They* all consider themselves entitled to *lower* rates than the petty proprietors on account of their necessary expenditure in keeping up their position. They would quite fail to comprehend the equity of the suggested arrangements.

I think in this matter all must be trusted to the discretion of the Settlement Officer. No rules on this point could be laid down which would be of the least avail to bind him if he wished to evade them. As stated above, I consider a 50 per cent. assessment besides cesses, as high as can be collected with regularity.

III.—As to the operations of the Rent-laws—

I think that Act X. contained great and radical errors. It was demonstrable that occupancy-rights, such as those conferred by the Act, were to the full as unknown here as in Oude, until they were conferred by the Act. To enter fully into this subject would take up too much time here. Suffice it to say, that the Act has created a bitter antagonism between landlord and tenants which will bear evil fruit hereafter. We have fettered the landlord's hands too lightly, and he strives either to cut the knot by driving the occupancy-tenants out by every kind of oppression, or to obtain enhancements by fraudulent measurements, or to convert money-rents back to kind-rates. Much of the evil is caused by the words in Clause 1 of Section XVII., "*the same class of ryots.*" This has been interpreted to mean—

(1) The same *caste.*

(2) Of the same occupancy, *i.e.*, occupancy-tenants are to be made a law to themselves.

There is no *custom* here of high-caste tenants paying lower rates than men of other castes. *Custom* is best shown by the proportions of the crop received by the landlord where rents are paid in kind as they were in four-fifths of the district in 1830. Now, *as a rule*, high and low-caste men pay the same proportion in the same village, and I have found cases of high-caste men paying a higher proportion of the crop than the low-caste, to make up for the difference in the amount of grain received by the landlord due to the inferior cultivation of the higher castes. In a village of Nawabgunj, the Coormis pay five-twelfths of the produce, the Brahmins six-twelfths; where the high-caste men *do* pay lower rates, the case may usually be resolved on enquiry into one of the following:—

(1) Where they are connections of the zemindars, former or present, by blood or marriage.

(2) Where they themselves are old zemindars who have lost their rights by sale, and have been permitted to hold on at their old rates.

(3) Where they are the family priests or servants of the zemindar.

(4) Where the low-caste men are the later comers, who have taken the land at slightly higher rents.

(5) Where the numerical strength and unity of the high-caste men has enabled them to resist the zemindar's efforts at forcible enhancement, while he has gained his object with the low-caste men.

The instances where allowances are made in rent to caste, *on account solely of the caste*, are quite the exception instead of being the rule as usually supposed. As to the second point, until Act X. was passed, and High Court decisions as to the meaning of the words "of the same class" began to be promulgated, no asamee ever thought of claiming to hold at privilege rates on account of length of occupancy. He would have thought it a hardship to have *his* rents only enhanced above the village rates, but if all were enhanced together, new-comers and old, he would not have thought of objecting if the new rates were fair in themselves. I hold that the true meaning of the words "of the same class" should have been interpreted to mean either—

(1) The class with hereditary and transferable rights.

(2) Or the class without those rights.

The other interpretation, without a doubt up to the establishment of the Settlement Court, had a considerable effect in preventing the rents of the occupancy-tenants from rising to a fair amount. The zemindar was compelled to sue each man singly, and, of course, found the greatest difficulty in getting any enhancement at all, as the rates of the unenhanced tenants were brought up against him. It was a difficulty only to be overcome by fraud of every kind, and payments to the persons (usually the canoongoes) to whom commissions were issued; until these enhancement suits are tried in the village during the cold weather tour, justice can never be done.

Most certainly, the whole course of my experience in the Settlement has shown me that the Revenue Courts did not, as a rule, raise the rates of occupancy-tenants to anything like a fair and equitable rate. I have never known considerations of value of produce entertained by a Revenue Court other than a Settlement Court, and I should think very few Revenue Officers out of the Settlement Department had any ideas or knowledge at all on the subjects of produce or its value. The rise in prices as a ground for enhancement was almost unknown in Bareilly even to the mookhtears until I took it up in the Settlement Department. Rates paid by tenants-at-will were utterly excluded from consideration in the case of enhancements against occupancy-tenants, while, as a rule, rates paid for similar land by asamees in neighbouring villages were never taken into consideration. Each village was taken individually, and each caste and so-called "class" in that village, where rents might fairly have been raised from Re. 1 to Re. 1-8 per pukka beegah, a zemindar, with the greatest difficulty and much expense, obtained decrees for 2 to 4 annas. I could give numberless instances of what I state. Since the settlement much of this has been changed, and more sensible views are beginning to prevail, but still there is far too much of the old evil of issuing commissions in all enhancement cases. During the last two years, the late Judge went entirely against the cultivators and decreed rates in appeal, irrespective of proof as much too high as the old rates were too low. I gave instances of this in a recent report. One Tehseeldar (Salah-ood-deen) of Aonla could hardly ever be brought to decree a claim for enhancement at all. Individual views have had too much weight in such questions. But I think the evil can only be cured entirely by fresh legislation. Act X. has injured both the landlord and the tenant in this district at least. It has caused violent class-enmity, and has made the cultivator more than ever dependent on the bunniah. It has transferred a part of the rent proper from

the hands of the landlord to that of the tenant. As soon as the Settlement Court is closed, we shall hear very little more in Bareilly of rates fixed by "mutual agreement," except in the common cases where a landlord "makes an agreement" for a fictitious enhancement with 3 or 4 asamees, in order to manufacture evidence for enhancement suits against the rest. I should like to see more facilities given to free bargaining between the asamees and the landlord as in Oude. A rapacious landlord would soon be brought to his senses as he would get no tenants. Then we should have real village rates, and no tenant would rent land at higher than the village rates. Why should the officers of Government stop in to fix the rent of land between landlord and tenant any more than the price of sugar between buyer and seller? I am for free trade in land as well as in its produce, and I am convinced that the cultivator would benefit in the long run. A volume might be written on the subject, but this report is a long one already, and I know that my views on this point will be unpopular, and I see little hope of complete amendment by new legislation. Still much of the evil done by the Act would be removed by the excision of the words "by the same class of ryots" from Section XVII., Clause 1.

III.—Experience in all the recent settlements has shown that rents always do rise after the revision of assessment. The extent of that rise must depend on the special circumstances of the district, no general rule can be laid down as I have shown. I assumed a rise of about 1¾ annas in the rupee all round, giving a rate somewhat below what would have been warranted by moderate estimates of produce and prices. My calculations have been justified by results. In 90 per cent. of the claims for enhancement filed by the zemindars, the cultivators have acknowledged the equity of my rates; and, in a vast number of cases, the rents have been raised up to my estimates by mutual agreement between the parties themselves without resort to the Settlement Court at all. In 7 or 8 cases I have had petitions from cultivators of entire villages, to the effect that the zemindars intended to raise the rents, and the cultivators prayed me to take up and decide the case in the Settlement Courts, stating that they were ready to agree to any enhancement of rates I might fix. The fact was they knew their rents could bear an enhancement, and they preferred the Settlement Court to the ordinary Revenue Courts. The "prevailing standard of rents" must form the basis of all rates for assessment. The extent to which enhancement may be immediately possible in that standard depends on an induction from facts, and it is for the Board to satisfy themselves in each instance, as to the care with which those facts have been collected, and as to the validity of the inductions from them before sanction is accorded to the rate reports.

IV.—I would most earnestly deprecate leaving the assessments open to enhancement for any cause whatever during a term of temporary settlement; any such reservation would at once and with reason destroy all feeling of security in the settlement, and would consequently depreciate the value of landed property. It is utterly impossible to gauge the amount of improvement created by a road, a market, or a railway, the area over which the improvement extends, or the share of improvement due to each, or any of these causes; cases are conceivable where a railroad might tend to lower prices in a district by increased importations, and thus injure instead of benefiting agritural interests. The effects of a road or a market are local only, and not reducible to figures. It would be utterly impossible for the most expert land-valuator to say by *how* much the rental of a particular village had improved from any one of these causes. Where any public works are in progress, or in contemplation, which will undoubtedly increase the prosperity of a district, there I should recommend that the term of settlement be fixed at not more than 20 years to admit of the completion of the work, and for its effects to become manifest, but the amount of the Government demand, and the term of settlement, should be invariably fixed definitely. Any violation of this canon must affect the district injuriously by inducing a feeling of insecurity and uncertainty which would react on the value of landed property.

As regard canals, the case is a different one. I regard one present system of assessment by including the increment in assets due to canal-irrigation in our estimated

jummabundees for assessment as a flagrant blunder utterly opposed to all common sense. The prominent objections to it are the following, premising that differential water-rates are out of the question :—

(1) It prevents any correct statement being drawn up of the receipts of the canal, so that it is imposible to make out a true profit and loss account on the special canal in question. The evils and inconveniences of this are manifest.

(2) Government having created the whole extra profit from public funds, can only recover at the very best a moiety of that profit, the remainder being utterly without reason given up to the landlord

(3) Where the new irrigation is created during the currency of a settlement, the whole of the profit is retained by the landlord.

(4) Equality of settlement becomes impossible. Estates unirrigated at settlement but subsequently receiving water pay far lighter assessments than estates fully irrigated at settlement, though the rental assets are brought up to the same level by the water.

(5) To meet this the clumsy device of a special "landlord rate" or average rate has been devised. This will inevitably be regarded as an extra tax on *land*, and a gross violation of the terms of the settlement.

(6) Remissions of revenue are rendered necessary when the canal is closed for repairs, or when water previously supplied is diverted owing to changes in the direction of the main lines.

(7) The canal authorities are fettered in the distribution of the water, and cannot dispose of it to the best advantage.

(8) Complicated questions of compensation are created which would never arise under a more rational system of assessment.

(9) Rent questions are needlessly complicated.

(10) The true value of the water can never be ascertained.

(11) Permanent settlement is rendered practically impossible.

There are many other objections, but the above are sufficiently strong. The remedy is so easy and so obvious, and the present time is so favourable to its introduction, that I still hope for its adoption. It is simply everything else remaining the same to assess land irrigated from canals at dry rates. This removes every one of the above objections. Government has the command of the canal-water, and can demand any rent it pleases for its use. It is at the option of the landlord and tenant to take the water or not as they please. If the tenant can derive any extra profit from its use over and above the water-rate and other charges, to which I need not allude more particularly, he will certainly take it. If Government finds the water running to waste, it will have to reduce the water-rate.

Then, the Canal authorities could make up real balance sheets. If the water were withdrawn at once and for ever, it would make no difference in the jumma. The water would not be wasted, as a full water-rate being charged, it would not supersede well-irrigation, unless the saving in cattle, time, and labour fully compensated the asamees for the money-payment for canal-water. It would encourage the development of natural facilities for irrigation. Government would not lose a fraction of revenue, as it would recoup itself by the increased water-rates which would then be possible.

The greatest bar to permanent settlement would be removed, and all real grounds of complaint on this head taken from the people. I fail to perceive a single objection to the plan—all land irrigated from wells, tanks, or rivers (not forming a part of the canal system) would be assessed exactly as at present. The one slight alteration would make the whole difference. There cannot be two opinions as to the financial results, and the canal officers would be rendered perfectly independent. They

would be able to manage the water to the best advantage, and their judgment and energy could be tested by the results, and there could be no room for argument as to whether canals in India pay financially or not.

Far more could be said (and said much better) on the question. I have contented myself with simply indicating the faults of the present system and their remedy, leaving all argument for a future occasion if I am called upon.

This concludes the Board's six points. There is one more which may receive a passing notice: modern settlements are far too expensive. There is far too much writing in them, and we do not recognize sufficiently the value of putwaree's papers if only they are regularly, adequately, and intelligently tested. If this were insisted upon with far greater rigour than at present, we might dispense with every paper in a settlement misl except the nuksha, *khusrah*, the *khewut*, and the *wajib-ul-urz*, and the Nos. II., III., and IV. statements. Settlements would then be concluded in half the time, at half the expense, the volumes would be one-third of the bulk, and contain nothing but entries of permanent value.

The tenant-roll and rents are constantly changing. Three years after settlement, the settlement papers are not sufficient independent evidence to prove by whom, or at what rent any particular field is held. During the three years three changes may have occurred to ascertain these, the putwaree's papers must be examined, and evidence must be obtained to corroborate their correctness if contested. Similarly, the settlement record alone is not sufficient to prove the occupancy-rights of any tenant, for he may have changed his fields in the interval since that record was prepared. Why then go to the labour and expense of preparing a jumabundee and teerij which only stand good for one year, and contain no information not shown in the putwaree's papers. These are fairly accurate on the whole in villages paying money-rents, and only require systematic testing to be made completely so. If disputes as to rent or occupancy arose, they could be decided as they were brought forward. Settlement Officers have no superior facilities over the Collectory Officers for the decision of such cases. They have no special and peculiar faculties for the ascertainment of the truth. The same means of information, the same evidence is open to both Courts.

There would be a very great saving of time, money, and paper, if my proposals were adopted, and no real loss, and the whole country would not be turned upside down as it is now when a settlement is in progress.

I merely make the suggestion on the present occasion, reserving all discussion for a future occasion if necessary.

In putteedaree villages a khuteonee of *ownership* would be required in addition to the papers I have mentioned, but no others. Of course, as slight amendment in Regulation VII. of 1822 would be required, I must apologize for the extreme length to which my reply has drawn itself out.

Statement showing the average Prices of Wheat per Rupee in lbs. *from* 1804 *to* 1872.

Year.	lbs. per Re.	Year.	lbs. per Re.	Year.	lbs. per Re.	Year.	lbs. per Re.
1804, ...	93 3	1822, ...	64·2	1839, ...	58·9	1857, ...	93·8
1805, ...	93·7	1823, ...	87·0	1840, ...	58 9	1858, ...	99·1
1806, ...	99·0	1824, ...	62·9	1841, ...	117·8	1859, ...	77·7
1807, ...	105·7	1825, ...	45·5	1842, ...	83·4	1860, ...	53·6
1808, ...	74·9	1826, ...	74·9	1843, ...	92·4	1861, ...	37·5
1809, ...	78·9	1827, ...	96·3	1844, ...	87·1	1862, ...	80·4
1810, ...	131 2	1828, ...	113·8	1845, ...	71·0	1863, ...	88·4
1811, ...	112·4	1829, ...	93·7	1846, ...	74·3	1864, ...	52·6
1812, ...	74·9	1830, ...	77·6	1847, ...	89·7	1865, ...	52·9
1813, ...	113·8	1831, ...	57·8	1848, ...	86·0	1866, ...	52·2
1814, ...	147·2	1832, ...	81·7	1849, ...	98·1	1867, ...	46·2
1815, ...	113·8	1833, ...	64·5	1850, ...	96·8	1868, ...	51·0
1816, ...	87·1	1834, ...	63·5	1851, ...	105·5	1869, ...	31·5
1817, ...	52·2	1835, ...	68·4	1852, ...	61·6	1870, ...	40·0
1818, ...	46·8	1836, ...	48·3	1853, ...	83·0	1871, ...	80
1819, ...	37·4	1837, ...	35·6	1854, ...	69·6	1872, ...	49
1820, ...	88·3	1838, ...	44·2	1855, ...	93·8		
1821, ...	110·4	...	...	1856, ...	75·0		

Report by E. C. BUCK, ESQUIRE, *Settlement Officer of Cawnpore, dated the 22nd June,* 1872.

I. is a standard.

2. I AM first asked to state whether a standard of average rates is possible, below which no settlement shall be confirmed in perpetuity. (1).—Under this head the first question raised is whether rents have reached their present full limit.

Rise in rents, and rise in rent-rates.

3. I would take this question to mean whether rentals have reached their present full limit—*firstly*, by a rise in rents to their full limit, independently of a rise in rent-rates; *secondly*, by a rise in rents consequent on a rise in rent-rates.

Table showing rise in rents assumed by Assessing Officers in Furruckabad.

4. The first of these two enquiries is sufficiently answerd by the following table, which shows the rentals existing at the time when the assessment of the district was taken in hand, as contrasted with the rentals assumed to be attainable by the application of existing prevailing rates to under-rented land.

Pergunnah.	Rental existing before assessment.	Assumed rental, *i. e.*, double the new revenue.	Increase.	Increase per cent.	Remarks.
	Rs.	Rs.	Rs.		
Bhojpur,...	1,46,042	1,65,440	19,398	13	
Mahomdabad, ...	63,509	73,800	10,291	16	
Pahara, ...	50,517	60,191	9,674	18	
Shumshabad (East),... ...	1,52,383	1,70,648	18,265	11	
Kumpil, ...	1,45,796	1,62,480	16,684	11	
Shumshabad (West), ...	2,36,079	2,71,020	34,941	14	
Imrutpur, ...	1,74,329	1,74,660	331	1	These are mostly seer or unrented land
Khakutmow, ...	47,652	49,520	1,868	3	
Purrumnuggur, ...	28,980	29,860	880	3	
Tirwa, ...	2,72,942	3,15,120	42,178	15	
Sorik, ...	80,696	1,04,760	24,064	29	
Sukhutpur, ...	70,136	82,760	12,624	17	
Sukrawa, ...	4,549	5,620	1,071	23	
Kunnouj, ...	3,54,035	4,10,650	56,615	15	
Chibramow, ...	1,71,032	1,93,140	22,108	12	
Talgram, ...	1,70,942	2,08,680	37,738	22	
Total, ...	21,09,621	24,78,349	3,68,728	17	

The assumed or estimated rentals are not based on any prospective rise in rent-rates. In forming the estimate, some consideration has been paid to prospective increase of irrigation and cultivation; but in a chief degree the assumed increase is due to the application of prevailing rates to under-rented land.

An interval of some years must, in many cases, occur before these assumed rentals are reached, and in many cases rents are now so abnormally low that the assumed rentals will perhaps not be realized during the term of settlement.

Conditions which cause—(1) Rise in rent; (2) rise in rent-rates; (3) affect profits of cultivators.

5. This statement then shows that rents haved not reached their present full limit, apart from the question whether *rent-rates* have reached their full limit or not. It remains to be considered whether any further rise can take place in rentals, independently of any prospective rise in rent-rates, and also whether any rise in rentals may be expected in consequence of a rise in rent-rates. These questions are not always kept sufficiently distinct. The broad difference between them is this:—Conditions which enhance the rental independently of a rise in rent-rates are those which affect the *quantity* of produce; conditions which enhance the rental in connection with a rise in rent-rates are those which affect the *value* of produce.

Under the first-class come:—

(1) Improvement in soil.

(2) Increase in the water-supply and irrigated area.

(3) Increase in the manure-supply and manured area.

(4) Increase in the *skill* and industry of cultivators.

(5) Increase in the cultivated area.

Under the second class come:—

(1) Improvement in means of communication.

(2) Decrease in the value of money.

(3) Increase in the demand for agricultural produce.

There are other conditions which tend to increase rentals without affecting either the quantity or value of produce: I refer to those which affect the profits of cultivators.

The most important of these are:—

(1) Improvements which lower the cost of produce.

(2) Competition for land.

By the first the profits of cultivators are increased; by the second cultivators are induced to be satisfied with the smaller profits.

Prospect of Furruckabad considered with reference to above conditions.

6. I will briefly consider the prospects of this district (Furruckabad) with reference to the above conditions. First, those wich affect the quantity of produce (I assume here that any prospective increase in the quantity of produce in the Furruckabad district will not, by increasing the food-supply, have any appreciable effect on the price of food).

Improvement in soil.

7. *Improvement in soil.*—Cultivated land is more likely to deteriorate than improve, and in canal watered tracts I think it is a grave question whether deterioration is not rapidly taking place; but it may be possible to bring into cultivation a very large area of land, now unculturable, if any means can be discovered for the removal of "reh," the saline ingredient which poisons so many broad acres of otherwise healthy soil, and which is the only bar to the cultivation of nearly all the unculturable land in the Furruckabad District. I have paid considerable attention to the subject, and, without going into details, I may express my opinion that the ultimate reclamation of a large portion of the reh-affected land does not seem impossible. Much of the saline matter is being carried away in solution by natural drainage, and much more might, I think, be carried away by artificial drainage.

The area recorded as unculturable in this district is (excluding building land) 235,275 acres; the culturable area (including cultivated land) is 813,338 acres—*i. e.*, the unculturable area is more than one-fifth of the total area. Now, the greater part (four-fifths, I should say) of the unculturable land, or about 150,000 acres, is affected by reh. Should this area become culturable it could hardly realize a lower rental than from Re. 1 to Rs. 2 an acre—*i. e.*, a rental of from one and a half to three lakhs, or from 6 to 12 per cent. of 24 lakhs, the full rental at assumed rates.

Increase in water-supply and irrigated area.

8. Little or no increase can be expected in the number of non-masonry or kutcha wells, but in several parts of the district there is room for much improvement by the construction of masonry wells. As regards extension of canal irrigation one out of six tehseels is partially watered by the Ganges Canal, and some increase in the irrigation supplied by it may be expected. A new cannal (the Lower Ganges) is also projected, which will probably supply with water another one-sixth of the district.

Existing percentage of irrigation.

The following table shows the percentage of irrigation in each pergunnah at present existing:—

		Per Cent.			Per Cent.
1.	Kumpil,	40	9.	Kunnouj,	60
2.	Shumsabad,	64	10.	Bhojpur,	45
3.	Imrutpur,	50	11.	Talgram,	62
4.	Khakutmow,	46	12.	Chibramow,	57
5.	Parumnuggur,	53	13.	Sukrawa,	(¾ canal) 80
6.	Pahara,	58	14.	Sukhutpur,	(¾ canal) 86
7.	Mahomdabad,	60	15.	Sorik,	(¾ canal) 61
8.	Shumshabad,	63	16.	Tirwa,	(¾ canal) 67

Total Districts 58 per cent.

The highest percentages are those of Sukrawan and Sorik. These pergunnahs are exceedingly level, and consequently easy to irrigate with canal-water, and I doubt, therefore, if other pergunnahs, which are less level, could attain such a high percentage of irrigable area even with a canal supply.

Possible increase in the percentage.

9. On the supposition that the whole district could be supplied with water, I do not think that the irrigable area could be much more than 80 per cent., or 22 per cent. more than is now irrigable. It is almost impossible that pergunnahs 3, 4, and 5, which lie between two large rivers, should ever be reached by canal-water, and I think, therefore, that 80 per cent. is a maximum estimate of the possible irrigation of the whole district.

The total cultivated area is now 541,935 acres; 22 per cent., or the estimated maximum increase in the irrigable area would be 119,240 acres (exclusive of land not yet brought into cultivation). Now, the rent of the poorest dry land is about Rs. 2 an acre, and the rent of the best dry land is about Rs. 4 an acre. I assume, therefore, the average rent of dry land to be Rs. 3 an acre. Again, the improvement effected in rent-rates by irrigation varies from 4 annas to 8 annas per rupee of rent, as the following table will show. This table exhibits the actual rates paid by irrigated and unirrigated land of different classes of soil in 8 out of the 16 pergunnahs.

The rates are deduced from the actual rents paid.

Pergunnahs.	Irrigated.		Unirrigated.		Difference per rupee.
	Description of soil.	Average rate.	Description of soil.	Average rate.	
		Rs. a. p.		Rs. a. p.	Rs. a. p.
Shumshabad (West),	Doomut, 1st, ...	3 14 2	Doomut, 1st,	2 1 5	0 7 4
Ditto, ...	Ditto, 2nd, ...	2 12 6	Ditto, 2nd,	1 7 1	0 7 4
Ditto, ...	Bhoor, 1st, ...	1 14 3	Bhoor, 1st,	1 8 3	0 3 0
Kumpil, ...	Doomut, 1st, ...	3 12 0	Doomut, 1st,	1 2 0	0 11 2
	Ditto, 2nd, ...	2 12 8	Ditto, 2nd,	1 3 1	0 9 2
	Bhoor, 1st, ...	1 12 0	Bhoor, 1st,	1 5 3	0 3 10
Mohumdabad, ...	Doomut, 1st, ...	2 15 9	Doomut, 1st,	2 2 9	0 4 8
	Ditto, 2nd, ...	2 5 3	Ditto, 2nd,	1 7 1	0 6 1
	Bhoor, 1st, ...	2 0 6	Bhoor, 1st,	1 13 3	0 1 7
Shumshabad (East),...	Doomut, 1st, ...	2 8 7	Doomut, 1st,	1 13 9	0 4 5
	Ditto, 2nd, ...	1 15 8	Ditto, 2nd,	1 6 9	0 4 6
	Bhoor, 1st, ...	2 0 9	Bhoor, 1st,	1 7 0	0 4 10
Bhojpur, ...	Doomut, 1st, ...	3 0 0	Doomut, 1st,	1 14 9	0 5 9
	Ditto, 2nd, ...	2 8 3	Ditto, 2nd,	1 2 6	0 8 7
	Bhoor, 1st, ...	2 2 0	Bhoor, 1st,	1 6 6	0 5 5
Talgram, ...	Doomut, 1st, ...	3 0 9	Doomut, 1st,	1 12 9	0 6 6
	Ditto, 2nd, ...	2 3 3	Ditto, 2nd,	1 2 6	0 7 8
	Bhoor, 1st, ...	2 0 3	Bhoor, 1st,	1 5 3	0 5 6
Chibramow, ...	Doomut, 1st, ...	3 0 0	Doomut, 1st,	1 12 3	0 6 9
	Ditto, 2nd, ...	2 4 3	Ditto, 2nd,	1 4 0	0 7 0
	Bhoor, 1st, ...	2 1 6	Bhoor, 1st,	1 6 3	0 4 9
Pahara, ...	Doomut, 1st, ...	3 6 3	Doomut, 1st,	2 3 11	0 5 5
	Ditto, 2nd, ...	2 15 8	Ditto, 2nd,	1 8 2	0 8 2
	Bhoor, 1st, ...	2 6 7	Bhoor, 1st,	1 12 8	0 4 6

Estimated increase in the rental due to increase of irrigation.

10. Now, the rent of 119,240 acres at Rs. 3 (the dry rate) would be Rs. 3,87,720. The increase which would ensue on the introduction of irrigation to this area would be by the above assumption from Rs. 69,930 (at 4 annas in the rupee) to Rs. 1,93,860 (at 8 annas in the rupee). This is the maximum estimate. As a minimum estimate,

I would not take less than half this amount, as I consider that the irrigable area of the district should certainly not be less than 70 per cent. after the introduction of the Lower Ganges Canal, and the construction of such masonry wells as are practicable. These estimates admit of a prospective increase of rental, due to irrigation of not less than half a lakh, and not more than two lakhs (exclusive of area not yet cultivated)—*i.e.*, from 2 to 8 per cent. of the assumed rental of 24 lakhs.

Increase in the manure supply and manured area.

Division of land into classes by Assessing Officers based in manure.

11. The question of manure is quite as important, if not more so than that of irrigation, since there is no practical limit to the amount of manure which can be absorbed by cultivated land, whereas irrigation is limited by the extent of the cultivated area. The division of land into high-rented and low-rented classes, on which most of the Settlement Officers of the North-Western Provinces base their assessments, is primarily due to manure.

Broadly speaking, tracts of country have been divided into three classes: highly manured, partially manured, and unmanured, which again have been sub-divided into irrigated and unirrigated. Difference in natural soil has had less effect upon the classification of rates than difference in the supply of manure and irrigation. As in the case of irrigation, then, it is necessary to consider (1) the nature of the influence which manure has upon rent, (2) the probable extent to which the manure supply may increase.

Nature of the influence which manure has on rent.

12. Irrigated unmanured land of good quality does not realize more than from Rs. 5 to 6 per acre. Irrigated land of good quality when highly manured should never realize less than Rs. 9 an acre, and can generally fetch from Rs. 10 to Rs. 12 an acre. The difference between these rates is from 6 annas to 8 annas in the rupee.

Estimated portion of the rental due to manure in the Pergunnah of Kunnouj, District Furruckabad.

13. The following figures will give some idea of the amount of the estimated rental which is due to manure in the Pergunnah of Kunnouj.

The area of irrigated and highly-manured land near sites (A) is 8,442 beegahs, and is assessed at Rs. 6 a beegah.

The area of irrigated and partially manured land near sites (B) is 23,261 beegahs, and is assessed at Rs. 4-8 a beegah.

Irrigated and unmanured land is assessed at Rs. 3 a beegah.

The difference between the rate of (C) and the rate of (A) is Rs. 3, and the difference between the rate of (C) and the rate of (B) is Re. 1-8. Allowing 8 annas a beegah for the advantage of contiguity to site, which I believe to be an ample allowance, the remainder will be due to manure, *viz.*, Rs. 2-8 on the (A) land, and Re. 1 on the (B) land.

On this assumption the total amount due to manure is—

8,442	×	2-8	= Rs. 21,368
23,261	×	1-0	= „ 23,261
			Rs. 44,629

Rs. 5,400 may be added for rental due to manure on unirrigated land, and the total amount due to manure be estimated at Rs. 50,000. Now, the rental assumed for Kunnouj is Rs. 4,00,000. The proportion due to manure is, therefore, one-eighth or 2 annas in the rupee of the total rental. At the same rate 3 lakhs out of the total rental (24 lakhs) of the district is due to manure.

14. In the neighbourhood of the Furruckabad city I counted, in a large number of suburban fields, the number of bullock-loads of manure put down for the potatoe crop. The area under potatoes was also taken, and the weight of the manure put down in one year was thus estimated to be 371,700 maunds, for which not less than from Rs. 4 to 6 per 100 maunds was paid *in hard cash*. The value of the total manure was therefore from Rs. 15,000 to 22,000, say Rs. 20,000. Now, the population of the city and suburbs of Furruckabad is 80,000, and the population of Kunnouj is 111,800. If, then, 111,800 population supply Rs. 50,000 worth of manure, 80,000 population should supply Rs. 35,000 worth. But the actual amount known to be supplied by the 80,000 for the potatoe crop is worth Rs. 20,000. When it is considered that there are many more cattle in the district than the city, notwithstanding the traffic in the latter, that more waste of manure occurs in the city than in the villages, and that the potatoe crop does not occupy quite the total manured area of the suburbs (though it occupies very nearly all), the above figures agree wonderfully well, based as they are on entirely different calculations. They are sufficiently approximate, I think, to justify the assumption that an agricultural population of a lakh will, with the cattle on their farms, supply manure of a value not less than Rs. 30,000 to Rs. 40,000, exclusive of what is used for fuel. I believe this really to be a minimum estimate. Now, the population of the district of Furruckabad is about 9 lakhs; the value of the manure supplied by them would, under the above estimate, be not less than Rs. 2,70,000 to Rs. 3,60,000 in rent.

Price paid for the manure supplied by the City of Furruckabad for agricultural purposes.

Compared with estimated value of Kunnouj manure.

15. Is the manure supply likely to increase? It has been assumed in the above calculations that manure is proportioned to population and cattle, the latter being proportional to the former.

Probability of increase in the manure supply.

The answer to the question whether manure is likely to increase is dependent, therefore, on the probability of the increase of population.

Is population likely to increase? This will be considered under the head of "Competition," but for present purposes I may assume an increase of 25 per cent., or 2¼ lakhs as within the range of possibility. By the above estimate the annual value of the additional manure would be from Rs. 67,500 to Rs. 90,000.

I will estimate the possible increase to be from half a lakh to a lakh and a quarter, or from 2 to 5 per cent. of the assumed rental of 24 lakhs.

16. But there is another way in which the manure-supply may be materially increased, and that is by the discovery of some substitute for cow-dung as fuel. It is surely not unreasonable to suppose in these days of scientific progress that some substitute may be found. I am told that a family of 5 or 6 will require 10 cow-dung cakes of nearly a seer each to cook their daily meal, and that a single person will require 3 or 4; also that the greater number of people use cow-dung and not wood. I regret that I have no statistics at present to verify this statement, but on the above data I assume that 450,000 persons, or less than half the population of the district, require 1½ seers of cow-dung cakes as fuel daily during the year (this calculation does not include cow-dung used for warming purposes in winter, or for burning lime, bricks, dead bodies, &c., &c.). By this assumption the total amount used daily would be 675,000 seers, or 16,875 maunds, and annually 6,159,375 maunds.

Possibility of the cow-dung used as fuel becoming available for manure.

Now, the manure used for a sugar-cane field does not exceed 200 maunds an acre once in 2 years, or 100 maunds a year. The rent of a cane field is at least Rs. 3 an acre more than the rent of an unmanured field. The manure now used as fuel represents, therefore, a rental of Rs. 3 per 100 maunds—*i. e.*, 3 × 61,411, Rs. 1,84,233, which is about 8 or 9 per cent. of the assumed rental of 24 lakhs.

Estimate of the increase in rental which may be due to increase of manure.

17. The total possible increase due to manure is therefore on both calculations from 2 to 14 per cent. of the assumed rental of 24 lakhs.

Number of skilled cultivators.

18. The character of cultivators greatly affects the rate of rent.

Skilled cultivators pay higher rate than unskilled.

It has always been the custom for landlords to tax skill and industry, which extract more produce from the soil, by higher rates. In Furruckabad, Koormies and Kachees pay 10 per cent. and often 20 per cent. more than Brahmins and Thakurs. The rent-roll of the future may, therefore, rise with the increase of the skilled and industrial classes. What prospect is there of their increase? They cannot invade land held by inferior tenants with right of occupancy, and as tenants with rights hold three-fourths of the cultivated area, one-fourth only is now open to new tenants, and it is probable that this area will be greatly diminished by the transfer of non-occupancy tenants into the occupancy class under the 12 years' rule. It certainly would not be safe to estimate that more than one-tenth of the cultivated area can pass from the hands of the inferior to the hands of the superior classes. Assuming that this change may take place, and that the new tenants can pay 15 per cent. more than the old ones on one-tenth, the increase to the rent-roll of 24 lakhs would be 1½ per cent. or Rs. 36,000.

Probable increase in the number of skilled cultivators.

19. But there is more prospect of a less violent process taking place which will not necessitate the removal of existing cultivators. There seems to be no reason why the non-industrial classes should not gradually acquire an industrial character. I believe this change in their character is taking place. One of the chief causes of the difference between the two classes is caste prejudice. Notable instances have occurred where caste prejudices, which interfered with agricultural progress, have broken down. I may mention an example. When the cultivation of indigo was introduced into the Sheorajpur pergunnah of Cawnpore, not a Brahmin or Thakur would touch or sow in his field the unclean plant. It is said that at last the Rajah of the Chundel clan set the example by sowing one of his own fields with indigo, and forthwith all the Thakurs followed suit. They certainly do not object to grow it now. In confirmation of this story, I may mention that the most influential zemindar of the same pergunnah, who is a Brahmin, and owns several villages, has told me that even now some Brahmins refuse to sow indigo; but that many more have permitted themselves to do so in consequence of the example which he himself set them. Much the same has occurred in the case of potatoes.

Improvement in the skill and industry of the unskilled and non-industrial classes.

I have no doubt that as intelligence spreads, the skill and industry of the backward classes will improve, and that they will rise eventually to the level of the better classes, which, of course, means that they will be able to pay higher rents. At present the assessment of many villages is necessarily pitched at an abnormally low figure on account of the backward condition of the cultivators. It would be wrong, by the perpetuation of this favour, to give such cultivators an unfair advantage over their industrious neighbours, and would be contrary to the principle on which all rents and assessments are now based.

20. I have not statistics sufficiently complete to enable me to state what is the proportion of land held by inferior classes, but it is certainly more than 50 per cent. I will assume that 50 per cent. of the cultivators will eventually improve to such a degree that they can pay 10 to 20 per cent. more than they now do. This would add from 5 to 10 per cent. or about one lakh to the rent-roll of 24 lakhs.

Estimate increase in the rental due to increase of cultivating skill and industry.

It may be argued that skill and industry should not be taxed: perhaps not, but as a matter of fact they are taxed now, and the process will probably be continued.

21. The culturable area of the district not yet cultivated is recorded as 250,000 acres, the cultivated area being 660,000 acres. The greater part of this 250,000 acres is very poor land, and I do not think it likely that more than one-fourth of it could be brought under cultivation without an appreciable rise in prices. But should a rise in prices occur, which is not an impossible contingency, the margin is a large one. Much of this land is partially affected by "reh," and should any means be discovered for the removal of "reh," would become very valuable.

Increase in cultivated area.

22. The area brought under cultivation during the last 30 years has been 140,000 acres; this large increase in the cultivated area is due to the circumstances that the last settlement took place shortly after the great famine of 1838, when a large area of land had been thrown out of cultivation.

Increase in cultivated area during the late settlement.

23. Putting aside the contingencies of rise in prices and removal of "reh," I estimate that the extension of the cultivated area may reach from 50,000 to 100,000 acres, at a rent of Rs. 3 an acre. This estimate gives an increased rent of Rs. 1,50,000 to Rs. 3,00,000, or 6 to 12 per cent. on the rental of 24 lakhs.

Estimate of probable increase in rental due to increase in cultivated area.

24. I now pass to the consideration of the conditions which may enhance the value of produ

Condition affecting value of produce.

25. With the exception of railways, this district possesses means of communication above the average; two branches of the Grand Trunk Road meet in it. It is connected by the Canal and by the Ganges with Cawnpore, Allahabad, Mirzapore, and Patna. It is difficult to say what effect railway would have on the district generally, but there is no doubt that it would have a disturbing influence on the localities through which its route might lie. It certainly would not be safe to prophesy that Futtehgurh will never be connected by rail with Cawnpore.

Improvement in means of communication.

26. I do not feel myself called upon to discuss these questions at any length as they are not of a local character, and I will confine myself to the production of such local evidence as I have been able to obtain regarding the rise of prices during the last 50 years in this district. The prices of wheat, barley, and jowar are recorded for three market towns in different parts of the district from 1803 to 1823, and for five market towns in the district from 1823 to 1871.

Decrease in value of money and increase in the demand for agricultural produce.

27. A diagram constructed on the principle of a diagram which appeared in the *Indian Economist* is appended to this report in Appendix A., and this exhibits clearly the oscillations in prices during the present century.

Diagram showing oscillation of prices.

[An examination of the diagram in the Appendix shows that there are three well marked periods. The first previous to the famine of 1817, the second between the famine of 1817 and 1854, and the third between 1854 and the present time. On a review of the whole period between 1803 and 1871, it appears that the number of times which the price of wheat rose above 24 seers per rupee is equal to the number of times which the price of wheat fell below 24 seers, excluding the four great famine years, 24 seers may therefore be taken as the medium price of wheat. Now, from 1803 to 1817, the price of wheat never fell below 24 seers. From 1817 to 1854 the price was 19 times above and 15 times below 24 seers, and from 1854 to 1871 it was 3 times above and 13 times below 24 seers. There is therefore an unmistakeable rise in prices since the commencement of the century, and it is a noticeable fact that, although the

The paragraph between brackets will be re-submitted in the form of a note, as the diagram has been sent to Futtehgurh for modification.

price rose twice in times of scarcity during the second period above the maximum attained in the 3rd period, and several times to a height above the average, yet it always returned by a rapid and violent oscillation. But in the last period there has been no sign of the recovery of the price to its former condition. On the contrary, there is every appearance of its inclination to maintain a higher and more unvarying level. Still I think it would be advisable to suspend final judgment until the recurrence of a series of undeniably favourable seasons. Should these fail to restore prices to the average level maintained during the second period, the rise in prices will be unmistakeable.]

Conditions affecting profits of cultivation.

28. The next questions for consideration are those which affect the profits of cultivation without affecting value of produce.

Improvements lowering cost of production.

These would tend to increase rent-rates by increasing the profits of cultivators. One illustration will suffice. It is is very easy to imagine that a marked improvement may some day occur in the construction of well-apparatus. I will quote the words of an officer of greater experience than myself on this subject, Mr. Ricketts, Commissioner of Allahabad.

Improvement in soil apparatus.

"It is certain that the cultivator's irrigating power would become far more productive if he possessed information relating to a few simple appliances, or by introducing a few contrivances in use, in other countries, no further advanced generally than this" [Revenue Reporter, Vol. V., No. IV., page 202].

The general adoption of any improved well-apparatus would have a widespread effect on the profits of cultivators.

I am far from wishing that every circumstance which increases the tenant's profits should be made the occasion of extracting more rent from him, but the contingency is a possible one, and I am bound to bring it forward.

29. The last question which remains for consideration is,—how far rent is liable to be affected by increase of competition?

Competition.

Has the cultivator any margin of profit?

Competition cannot raise rents unless there is a margin of profit to the cultivator over and above what is necessary for subsistence.

30. Does such a margin exist where the full standard rates are paid? And, if such a margin exists, are there any other obstacles which may prevent competition from exercising any influence.

I regret that it is impossible to state, with any certainty at present, what profits cultivators are making. Safe statistics are utterly wanting. On the strength of such statistics as I have collected, I believe that an industrious and intelligent cultivator, such as a Koormee, can, with the prices lately prevailing, make such a profit on a holding of 5 acres of good land that he never need borrow from the money-lender.

I can produce a Koormee who, since the mutiny, inherited from his father a debt (he states of Rs. 500); he has paid this off and is now lending small sums to needy cultivators, solely with the aid of the profits he has made in a holding of five acres in a small village rented at the high rate of Rs. 10 an acre.

But the profits of ordinary cultivators are, I am convinced, not large enough to induce competition. The least pressure caused by a bad harvest drives them in shoals for temporary assistance to the money-lender, and in some villages not a few are permanently in debt. If, however, agricultural skill and industry become more universal attainments than at present, both profits and the number of skilled competitors (provided by the families of the cultivating classes will increase simultaneously?

So far as profits may rise in consequence of a rise in prices, the law offers its assistance for enhancement of rent, but competition would, if free to do so, begin to make-play long before the cumbrous machinery of the law was put in action.

Checks to competition.

31. It remains to consider what checks to competition exist. The principal checks would be (1) deficiency in population; (2) inability to obtain land.

Population of Furruckbad.

32. Is the population of Furruckabad likely to increase?

Compared with that of other districts.

The following table shows the relative thickness of the population of the different districts of the North-Western Provinces in the vicinity of Furruckabad:—

District.	Population per square mile.	Number of cultivated acres per 100 of population.	Number of cultivated acres per 100 of agricultural population.
Furruckabad, ...	541	66	111
Cawnpore, ...	504	55	100
Banda, ...	240	121	237
Futtehpore, ...	431	79	125
Humeerpore, ...	228	144	248
Allahabad, ...	507	76	132
Mynpoory, ...	420	83	124
Etah, ...	437	82	152
Etawah, ...	384	86	139
Agra, ...	530	76	122
Muttra, ...	478	98	166

Furruckabad and Cawnpore appear to be more thickly populated than surrounding districts, and, as regards cultivated land, Cawnpore is the most thickly populated. The average of both exceeds that of all European countries, but this is a natural result of the inexpensive habits of the inhabitants of this country. A comparison between the two parts of the world cannot be made.

For the purposes of this enquiry, it is not necessary to travel further than the neighbouring districts. The following table will give a still clearer idea than the preceding one of the position held by Furruckabad and Cawnpore among them. In drawing up this table, I have omitted all pergunnahs in neighbouring districts in which the "lakhraj" area is so large as to disturb calculations, and I have also omitted all pergunnahs containing large towns:—

The Population is			Number of Pergunnahs.			Average Revenue rate.
Over.	Under.	Per square mile.	Small Districts.	Cawnpore.	Furrucknabad.	Rs. a. p.
...	450	In.	None.	None.	None.	...
450	500	"	6	"	"	1 4 10
500	550	"	10	"	"	1 11 2
550	600	"	6	1	1	1 12 3
600	650	"	2	None.	None.	2 2 4
650	700	"	6	1	"	1 14 10
700	750	"	1	1	"	1 11 3
750	800	"	8	2	"	2 2 11
800	850	"	3	1	2	2 3 0
850	900	"	1	None.	4	2 2 6
900	950	"	2	"	1	2 7 0
950	1,000	"	None.	"	None.	...
1,000	1,050	"	"	1	"	2 15 5
1,050	1,100	"	"	None.	"	...
1,100	1,150	"	"	"	"	...
1,150	1,200	"	"	1	"	2 15 5

33. This table shows that Cawnpore and Furruckabad are well to the front in population, but I do not think that this fact precludes a further increase; some parts of the district are far behind other parts; and although this difference is partly due to difference of soil, yet it is not so entirely; for instance, the tract of land in the Bilhour pergunnahs, which lies alongside the Kunnouj pergunnah, I have ascertained to hold a population of 1,080 to the cultivated square mile, while Kunnouj has 966 only. Both Russoolabad and Bilhour have populations of over 1,000 per cultivated square mile, and both are pretty equal in soil and advantage, with five other pergunnahs of the Cawnpore District, in none of which the population is over 850 to the cultivated square mile.

Difference in population not certainly due to soil.

I believe the excess in Bilhour and Russoolabad to be chiefly due to better cultivation.

34. These considerations lead me to conclude that the population of the Cawnpore District is sufficiently large to supply competitors, for land, and that, with skill and industry, there is room on the land for a still large number of cultivators. The next question is whether land is open to new competitors.

Is cultivated land open to competition.

Culturable land may be broadly divided into four classes: (1) seer or proprietors' land: (2) land held by tenants with right of occupancy: (3) land held by tenants without right of occupancy; and (4) land not yet cultivated.

Of these (2) is virtually closed to competitors, (1) is open where zemindars do not cultivate themselves, (3) is open where the zemindars are willing to oust the old tenants, and (4) is open wherever the zemindars take the trouble to invite cultivators to settle on it, or break it up with their ploughs.

35. The comparative areas held by cultivators with and with rights at the last and present settlements are shown the following table for 1,158 villages in which the statistics of last settlement could be found: —

Land held by cultivators with right of occupancy.

Last Settlement.				Present Settlement.			
Number of cultivators with right of occupancy.	Percentage.	Number of cultivators without right of occupancy.	Percentage.	Number of cultivators with right of occupancy.	Percentage.	Number of cultivators without right of occupancy.	Percentage.
3,062	4	92,720	96	40,074	63	23,974	37
26,816	7	2,47,949	93	2,31,292	77	71,633	23

This table shows what a great effect the 12-years rule has had in closing land to competition. It also shows that the tenants without rights are satisfied with smaller holdings than the tenants with rights. This is of course partly the effect of competition.

36. Of the area still remaining open (23 per cent.) a large portion will probably become "occupancy land" under the 12-years' rule, and a further portion will virtually be closed to competition in consequence of the unwillingness of the zemindars to disturb existing arrangements. It is only in villages held by enterprising purchasers that we find the old set of idle cultivators giving place to new and more industrious hands. The area therefore actually under the influence of competition is not large.

Land held by tenants-at-will.

37. In the seer land competition has really more influence than in cultivators' land, probably because the rents of seer land are not entered in the village records, and because the zemindars have less compunction in ejecting tenants from their own private land; but I have no records showing what area is cultivated by proprietors themselves, and what area by sub-tenants.

In seer land.

38. The culturable area open to competition is, of course, so much of it as it would pay to cultivate at present prices. There is a considerable portion of very good land, which is only left uncultivated, I believe through the apathy of the zemindars: perhaps now the settlement is over they will break it up. I should estimate quite 20,000 to 30,000 acres as being fit for immediate cultivation; and I am convinced that if the landowners took the least trouble to invite tenants, they would find them with the greatest ease. 20,000 to 30,000 acres is equal to 4 or 5 per cent. of the present cultivated area.

Culturable land.

The above remarks will give some idea of the amount of land open to competition. At a rough computation I may assume it to be one-third of the total cultivated and culturable area, excluding the poorest land, but competition can have no effect on the remaining two-thirds unless the rents of the two-thirds are allowed under the law to be raised in some proportion simultaneously with the rent of the one-third, which I assume will be affected by competition.

39. I will briefly recapitulate the possible changes which I have assumed may occur from different causes in the rental:—

Luminary.

A.—*Causes affecting quantity of produce*:—

1.	Improvement in soil, ...	6 to 12 per cent.
2.	Increase in water-supply, ...	2 to 8 ,,
3.	Increase in manure supply, ...	2 to 14 ,,
4.	Increase in cultivating skill, ...	5 to 10 ,,
5.	Extension of cultivated area, ...	6 to 12 ,,

Total 21 to 56 per cent., or from 5 to 13 lakhs.

B.—*Causes affecting value of produce*:—

1.	Means of communication, ...	May be improved by a railway.
2.	Means in demand for produce, ...	May affect prices and therefore rent-rates to an indefinite extent.
3.	Decrease in value of money, ...	

C.—*Causes affecting profit of cultivators*:—

	Improvements lowering cost of production, ...	Do. do.
	Competition, ...	

I am of course aware that the computation under A. is necessarily of the roughest character, but I have preferred to reduce it, such as it is, to figures; for the reason that without figures the imagination might be led to form a purely impossible estimate. The estimates are in one way under the mark since they have been made independently of each other. If they are combined, the result would be higher. For instance if 50,000 acres of barren soil were improved irrigation would increase too; if water-supply were increased manure would be more effectual, and *per contra* water would be of more use to a manured than to an unmanured field.

When to the probability of increase of rental under A. are added the considerations under B. and C., there certainly appears to be strong grounds for opposing the idea of a permanent settlement. I conceive it to be quite possible that within a century the rental of the district may be doubled. A more rapid enhancement of rent has taken place in countries far more advanced, as for instance in Belgium, where rents and selling prices of land have doubled sinc 1830 (Cobden Essays).

40. For the same reason that I object to a permanent settlement I object to the proposal suggested in Section I. of the Circular, with reference to a rateble increase of revenue in proportion to the increase of prices.

Rateable increase of revenue.

Even supposing that there were no margin of cultural land, and no prospect of material changes occurring in the conditions of cultivation, I do not think that Settlement Officers are so omniscient that their rates can be guaranteed as a safe basis for a permanent demand. As a rule, only the statistics of a single year are before them, and fraudulent concealment, and the accidents of the season, may produce unequal assessments in spite of the greatest care of the assessing officers.

It would, I think, be dangerous to regulate assess ments by the price of any one staple. Supposing, for instance, that wheat were chosen, it would be very possible for the price of wheat to be affected by circumstances other than the value of money, such as a large demand for cotton. Cotton occupies the place of autumn crops, and not of wheat crops, and therefore a large growth of cotton would raise the price of the autumn cereals relatively more than that of wheat crops.

As a fact the prices of the autumn cereals never rose so nearly to an equality with the prices of wheat as in the years 1863-64, when the American war created an extraordinary demand for cotton.

Revenue of past Settlements.

41. I am next required to consider the pressure of the last settlement at 66 per cent. One startling fact meets us at the first step that within three or four years of the settlement it was found necessary to reduce the assessment from Rs. 12,79,814, to Rs. 11,32,078, *i. e.*, by nearly a lakh and a half.

A review of past settlement shows that the revenue of the district has practically maintained the same level since cession, and that an attempt to raise it during the fourth and fifth settlements resulted in failure, since we find the Government demand reduced by the revision of the fifth settlement to the original limit which it reached in the first assessment:—

Pergunnahs.	1st Settlement.	2nd Settlement.	3rd Settlement.	4th Settlement.	5th Settlement.	Revision of Settlement.	Revenue before assessment.	New Revenue assessed.
Kunnouj, ...	2,00,280	1,98,141	2,19,238	2,38,376	2,17,177	1,92,497	1,98,001	26,454
Chubramow, ...	91,507	91,008	86,565	90,843	1,01,137	87,046	92,741	1,05,210
Talgram, ...	89,422	90,284	72,932	1,18,956	1,16,541	99,048	99,085	1,04,330
Mahomdabad, ...	28,120	30,822	30,551	30,802	34,867	33,003	33,770	38,310
Shumshabad (East), ...	77,942	78,811	80,089	82,970	84,099	77,714	78,267	89,180
Bhojpore, ...	64,388	64,384	67,106	67,265	84,214	78,774	82,022	93,947
Pahara, ...	16,543	16,699	17,035	17,500	26,657	25,306	26,893	38,400
Kumpil, ...	78,860	67,684	75,126	85,465	81,010	76,300	71,007	85,969
Shumshabad (West), ...	1,14,036	1,14,594	1,14,010	1,24,129	1,26,459	1,20,369	1,17,506	1,44,707
Imrutpur, ...	62,839	65,924	78,460	87,711	77,252	75,811	75,885	87,410
Khakhutmow, ...	28,954	20,401	22,095	23,003	24,383	23,389	23,389	24,760
Purumnuggur, ...	15,471	17,018	15,741	20,054	16,850	15,490	14,335	14,930
Tirwathuttia, ...	1,50,612	1,45,383	1,62,311	2,11,377	1,72,614	1,45,114	1,43,679	1,57,560
Total, ...	10,18,974	10,01,153	9,41,259	12,15,977	11,63,160	10,49,104	10,56,780	10,01,057
Sorik, ...	Included	in Taloo	k Sorik	72,783	69,770	44,968	44,251	53,230
Sukutpur, ...	Do.	Sukut	pore.	51,297	46,784	38,006	37,195	41,615
Sukrawa, ...	...	...	Revenue	free.	...	...	14,422	26,025

Profits of estate borrowed at 66 per cent.

42. The present quota of demand (50 per cent.) is, I believe, dangerously near the safe limit. But it must be remembered that in both settlements the percentage was taken of the assets, which it was assumed the landlords could attain by the application of fair rent-rates, and not the percentage of existing recorded assets. The assessments just concluded in Furruckabad are more nearly two-thirds of the assets than half (see para. 4). The following figures are good evidence of the ordinary profits made by proprietors. They show the profits made on the estates of the Rajah of Tirwa and Mr. Moxwell, and include some 200 villages. Both returns are genuine. Mr. Maxwell is an European gentlemen of considerable position in these provinces, and, at the time of communica-

ting these figures, had long ceased to have any interest in the estate which he had sold some years ago. The Rajah of Tirwa's estate is under the management of the Court of Wards, and the figures are supplied by the Collector :—

	Pergunnah.	District.	Rent-roll, including extra receipts.	Revenue	Profits.	Percentage.	Extra charges.
1865.							
Mr. Maxwell, ...	Kunnouj, ...	Furruckabad, ...	13,383	8,320	5,063	23	735
	Tirwa, ...	Ditto, ...	2,483	1,334	1,149	40	112
	Bilhour, ...	Cawnpore, ...	31,296	17,025	14,271	43	1,141
Rajah of Tirwa,...	...	Furruckabad, ...	2,75,560 +8,603	1,65,240	1,18,923	43	...

The average profits were about 42 per cent., out of which cesses and expenses of collection had to be paid. By the new assessments the revenues have been raised about 10 per cent. on the revenue, or about six per cent. on the rental, and the profits are now about 36 per cent., and the revenue 64 per cent. of the unenhanced rental. In order that the profits may be 50 per cent. of the rental—*i. e.*, equal to the revenue—Rs. 100 rental must be raised to 128, or 2cc,64, *i. e.*, the rental must be raised 28 per cent. Under these circumstances, the demand of 50 per cent. on the attainable assests cannot said to be light; I do not think it would be possible to increase it in the case of small proprietors.

Transfers.

43. The only other gauge which we possess of the pressure of the demand is a consideration of the transfers of land which have occurred since last settlement. Transfers are, to a considerable degree, due to the extravagant habits of the people, and in many cases prices are fictitious. The indications afforded by them are therefore to some extent uncertain. On the whole, the large number of transfers, and the low prices, do point to heavy revenues. With reference to the rise in prices, I would notice that prices ought to rise with rise in profits. I have calculated that six years' purchase of revenue in the first decade should rise to seven years' purchase of revenue in the last decade, if estates in general are similar to the Maxwell and Tirwa estates in the rise of their rentals.

Table of Transfers.

44. The following table shows the transfers for nine pergunnahs of the district :—

	Mortgages.			Sales.			Auction			Total Transfers.		
	1840 to 1850.	1850 to 1860.	1860 to 1870.	1840 to 1850.	1850 to 1860.	1860 to 1870.	1840 to 1850.	1850 to 1860	1860 to 1870.	1840 to 1850.	1850 to 18 0.	1860 to 1870.
Acres, ...	3,151	9,284	20,634	17,400	11,387	17,559	17,928	4,613	9,147	38,479	24,684	47,340
Revenue, ...	3,620	28,158	22,087	20,306	16,642	21,707	20,397	4,980	7,989	44,324	49,780	51,827
Price, ...	32,556	79,228	215,310	89,324	135,801	161,320	44,984	37,250	60,987	166,994	252,272	465,613
Price per acre, ..	9	8½	11	5	11½	9	2½	9	6½	4½	10	
Year's purchase of revenue, ..	10	2½	11	4½	8	7½	2½	7	7½	3½	5	9½ 8½

The total area of the pergunnahs in which these transfers took place is just 400,000 acres, and the percentage of area transfers in each decade is, therefore :—1st decade 9½ per cent., 2nd decade 6 per cent., 3rd decade 12 per cent. The larger area transferred in the last decade shows that transfers are caused by other influences than heaviness of revenue: for revenues were lighter in the last decade than in the first. Moreover, the price which land fetched was higher in the last decade than in either of the other decades on the whole.

Causes of transfers.

45. After making allowance for the rise in rentals as above explained, I believe that the recent activity in the transfer of land is due chiefly to two causes—one the increasing embarrassment of the old zemindars (especially the Thakurs), whose extravagance and improvidence no leniency in the demand can suppress; and *secondly*, the anxiety of businessmen of capital to purchase land, which perhaps in consequence of the late rise in prices they believe to be a safe

and probably a lucrative investment. Still, even of late years the prices given have been by no means large when measured by the number of years' purchase of revenue—a fact which indicates that the profits, after payment of the revenues, must be considerably lower than the revenues. I do not believe that *bonâ fide* profits would ever fetch in the market less than 10 years' purchase. If this be so, then the revenues, which bear to the price a proportion of less than 10 years' purchase, must be greater than the profits.

Assessment of large

46. With reference to the question whether large estates should pay more than small ones, I am decidedly of opinion that they should. All the large estates in the Furruckabad District were acquired by fraud or violence shortly before cession, and I have no sympathy for the ancestral titles of those individuals whose sires were lucky enough to be confirmed in the possession of estates so acquired by the accident of the transfer of the Provinces to the British Government. Apart from this consideration, I think it is an evil that unwieldy estates should be in the hands of single individuals, whose inability to superintend the collection of their rents, and the improvement of their land, requires the assistance of an intermediate body of managers, who eat up a considerable portion of the assets. I propose that every proprietor whose revenue, at 50 per cent., exceeds a certain amount (say Rs. 5,000) should pay an extra revenue of 15 per cent. on the surplus, the extra revenue to be removed on the *bonâ fide* transfer of any part of the estate to a purchaser. Collusive transfers would no doubt take place in some cases, but collusion would endanger the rights of the transferer, and would of course be penal.

In making such an arrangement, allowance would be made in cases where estates have been purchased since last settlement, but purchases before last settlement were made when the extra 10 per cent. *was* charged, and do not require any consideration.

I am next asked to state whether the rent-laws restrict the demand for land-revenue. I have had considerable experience in the application of Act. X. to the enhancement of rents in the Furruckabad District.

The present law admits of the enhancement of rent (1) on the grounds that the rate paid are below the level of rates prevailing in similar land in the vicinity; (2) that the value of productive power has been increased from causes other than the outlay of the tenant; (3) that the area is greater than the recorded area.

Table showing enhancement since assessment in 1,218 villages.

47. The following table shows the enhancement which has taken place in 1,218 villages since assessment:—

Names of Pergunnah.	No. of villages.	Rent-roll at time of assessment.			Estimated rent-roll of assessment rates.			Rent-roll after enhancement.			Revenue.			Remarks.
		Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	
Chibramow, ...	167	1,77,852	0	0	2,00,149	12	0	1,96,883	0	0	99,960	0	0	In the rent-rolls of columns 3, 4, and 5, the rate of rented land is applied to unrented land.
Bhojpur, ...	170	1,32,391	8	0	1,43,520	12	0	1,03,988	8	0	71,380	0	0	
Mohumdabad,...	50	44,281	0	0	53,513	4	0	50,451	11	0	25,850	0	0	
Pahara, ...	59	22,236	1	0	24,509	8	0	24,923	13	0	12,744	14	0	
Shumshabad (East), ...	122	1,25,835	0	0	1,42,973	8	0	1,45,285	5	9	68,260	0	0	
Talgram, ...	122	1,54,936	0	0	1,86,517	4	0	1,74,491	0	0	93,840	0	0	
Kunnouj, ...	528	3,39,811	0	0	4,02,751	0	0	3,66,995	0	0	2,05,977	0	0	
Total, ...	1,218	9,97,342	9	0	11,53,935	0	0	10,63,018	5	9	5,78,011	14	0	

Effect of the first enhancing Clause of Section XXII., Act X. of 1859.

48. These figures show that a large increase in the rental has been effected, and this increase is greatly due to the influence of the first enhancing Clause of Act. X. of 1859. The backwardness of existing rentals (exhibited in para. 4) proves that there must be a very large number of fields paying below the prevailing full rent-rates paid for land of the same class, because the new rentals have been based on the assumption that prevailing full rent-rates will be applied to all land. Now there is a special staff on tour in the district, whose duty it is to help the landlords to levy, under

the first enhancing clause, full rates in under-rented fields wherever the cultivators refuse to pay them. The table on the preceding page shows the effect of their operations in 1,218 villages. These enhancements have been made partly by consent and partly under the first enhancing clause of Act. X. In 72 villages of one pergunnah I have ascertained the amount raised by consent to be Rs. 7,428, and by legal procedure Rs. 4,305. The final result of the operations of the enhancing staff will be that the rate paid on each class of land will be brought, as far as possible, to the same dead-levels in the same neighbourhoods, and these levels will not again be materially disturbed. The influences which have been at work hitherto to produce the existing inequality of rents have for the most part ceased to act. For instance, the enormous increase of cultivators with rights of occupancy cannot recur; new occupancy tenants came into their new rights with much higher rents than old occupancy tenants. The rents of the new men are now being used as a standard to which the rents of the old men may be raised. But no such standard will be available for the future. Again, at one time rents were universally paid "in lump." These lump rents were distributed over the several fields of each holding at last settlement. This distribution, being as often as not unequally effected, produced a large number of rents above the average, and a large number of rents below the average. The former have helped to raise the standard to which the latter may be lifted. Inequality from the same cause cannot occur again. It would take too long to detail all the influences which have been at work, but enough has been said to show that unequal distribution of rates will, to a great extent, disappear, or, in other words, the rent-rates of similar land will be brought to the same level in the same neighbourhood, and this result, so far as it may be attained, will preclude the operation of the first enhancing clause, which only gives the power of raising unduly low rents to the level prevailing in the neighbourhood on similar land.

But it does not follow that the level to which rents may be brought by this process is a fair one. As a matter of fact, the level differs in different neighbourhoods, though the soil and advantages in them may be identical. Sorik, Tirwa, and Bilhour are three adjoining pergunnahs which I have inspected. They lie on the banks of the same river, and possess much similar land. The level of rates in Sorik is 10 per cent. below the level of Tirwa, and 15 per cent. below that of Bilhour for identically the same soil; the difference is owing chiefly to "historical causes," but now that these historical causes have disappeared, there are no means of equalizing the rents in the different pergunnahs. I can only raise the low rents in Sorik to the level prevailing "in adjacent" places in Sorik. The first enhancing clause does not allow me to go 20 miles to Bilhour and say,—Here is similar and paying rates 25 per cent. higher than the rates paid in Sorik; therefore I raise the rents in Sorik to the same level. The second enhancing clause offers no assistance, for it has been ruled that under this clause a proportional increase only can be made; *e.g.*, if the Sorik rate is Rs. 2 an acre, and the Bilhour rate Rs. 2-8 an acre, and the productive value be doubled permanently, the Sorik rate can be raised to Rs. 4, and the Bilhour rate to Rs. 5, but the Sorik rate can never be brought to an equality with the Bilhour rate.

Second enhancing Clause.

49. The defect in the law is manifest. It does not allow the general rate of an under-rented tract to be lifted to a fair level. The remedy I propose is twofold: in the first place a greater discretion should be allowed to settlement and other experienced officers in the extent of area from which puttee-rates may be chosen; and in the second place permission should be given to raise the rates payable by occupancy-tenants in some fair proportion to the rates payable by tenants-at-will, which tend to rise to a natural level by competition.

Defect in the enhancing law, and remedy proposed.

I do not think, however, it would be safe to allow subordinate revenue officers either to make use of rates beyond adjacent places, or to decide the allowance which is to be made for occupancy right. The law should remain as it is for them, and in all cases the provision of the law is a wise one, which directs the employment of prevailing and not of occasional or selected rates as the limit to which rents should be raised. It would be dangerous to allow even experienced officers to use a few picked rates.

50. The second enhancing clause is, I take it, intended chiefly to provide against the contingency of a rise in prices. The determination of this difficult question should certainly not be left to the arbitrary decision of subordinate officers. I would recommend that periodical investigation by selected officers, into the circumstances of one or more districts, should be authorized, and that the decision of these officers, after approval or modification by the Local Govenrment, should be made the basis of enhancement. So far as the rise in prices depends on the decrease in the value of silver, I would recommend that the question be definitely settled by central authority for all districts. It is the duty, I think, of Government to decide *á priori* such broad questions as these, and not to throw the burden of procuring expensive and, perhaps, ineffectual legal decision on the shoulders of individual landlords.

Rise in prices should be determined by Government.

51. I am next asked to state how far enhancement of rent-rates beyond the present prevailing standard may be assumed as a basis of assessment. For several reasons, I cannot think that it would be safe to assume any enhancement of the rent-rates above the existing standard. In the first place the enhancement of under-rented fields, up to the prevailing standard, demand as heavy an increase of rent and revenue as the cultivators and landlords can at present bear. In the second place, the first enhancing clause of the revenue law does not permit the enhancement of rates beyond the prevailing standard in land held by occupancy-tenants, which forms the largest proportion of the cultivated area, while the second enhancing clause is practically ineffectual, until it may be definitely settled whether prices have permanently risen. In the third place, it would not be expedient to throw more pressure on cultivators until it may be satisfactorily ascertained that their present margin of profits is greater than it appears to be, and that this margin is not likely to be reduced by a continued fall in prices.

Reason why prospects of enhancement of rent-rates should not be made a basis of assessment.

52. I am finally asked to state whether it would be expedient to leave assessments open to adjustment during a term of temporary settlement.

Expediency of intermediate adjustment of assessments.

53. Free permission to levy new demands by gradual increments would be a most useful measure. The suddenness of the increase is often oppressive both to landlords and tenants. Mr. Maxwell, whom I have mentioned as an ex-proprietor of large estates, has told me that the immediate levy of a heavy increase has been felt by him as a great hardship, and that he could not create immediately a corresponding enhancement in the rent-roll without causing great distress to his cultivators.

Assessment by gradual increment.

The practical effect of the present system of immediately levying the new demands is, that where rent-rolls are very low the full rent-rates cannot be maintained as a basis for the assessment in villages held by proprietors without capital.

54. I do not think that any further intermediate variation in the assessment of this district would be expedient, except on account of the introduction of canal water into previously unirrigated land. The canal question, it is needless to say, presents considerable difficulty. I will bring forward an instance in which the condition of canal-irrigation, under the assessment of a fair revenue for thirty years, is impossible. I refer to the pergunnah of Bilhour, which I am called upon to assess during the present season. During inspection I find that almost every one of the numerous water-courses now supplying the pergunnah with canal-water has been condemned, and that an entirely new system of irrigation channels for the distribution of water has been projected. These alterations will seriously affect the condition of the water-supply in many villages.

Intermediate assessment of canal-irrigated land.

I recommend a quinquennial revision of assessment in canal villages, and I propose the following system for the adjustment of the demand.

55. The enhanced demand on account of canal-water is of a double character—*firstly*, there is the price of canal-water, *secondly*, the Government share of the increased rental, due to the conversion of dry into irrigated land.

Proposed system of assessment of canal-irrigated land.

I propose that the price of canal-water should be fixed on the crops grown in each field, but by a totally different method from that now employed. I would divide all fields into classes, either five or six in number, in accordance with the crops usually grown on each field. Thus, fields usually growing market garden produce would be placed in the first class, those growing cane periodically in the third class, and ordinary rubbee and wheat fields in the fifth class, and, perhaps, rice in a sixth class. The rate payable for each class would be formed by a calculation of the average number of waterings required by each kind of crops—good and bad years together. For instance, a field growing alternately jowar and barley would require two waterings in one out of two years. The annual charge would be the price of one watering. The first classification of crops would be necessarily imperfect and lenient to the cultivator in consequence of the absence of any accurate record of crops grown. But as a careful record of crops from year to year is an essential part of the system I propose, this difficulty would be diminished year by year, and each quinquennial revision of the classes would render the list more perfect. If expedient, the preparation of the list might be postponed until the statistics of 3 or 4 years had been collected. I do not regard the question of expense in preparing a record of crops as the slightest obstacle, since I am strongly of opinion that an accurate register of crops should be kept up by a special staff, if necessary, in every village of the district, whether irrigated by a canal or not. I need not discuss here the extreme utility of the information which would be afforded by such registers. With a very tolerable amount of supervision, the correctness of the classified list of field would be insured. Each year's record would amend the previous records. The omission of sugar-cane, for instance, in any one year through fraud would be eventually rectified by the record of it in a subsequent year.

Price of canal-water.

But only the classification of those fields would be necessary in which canal-water was required. I would leave it to the cultivators and zemindars to choose the fields for which they might require irrigation.

A list of such fields should be filed through the putwaree, and, once filed, these fields should remain on the classified schedule for the term of settlement. Permission should be given to add to this list at any time; but the removal of no field from the list should be allowed except on special grounds approved by a competent officer.

The irrigation of any fields not on the list, or the growth of any crop in one class belonging to a higher class, should be punishable by fine.

56. This system has the following advantages over the present one. In the first place the zemindars and cultivators will be relieved from the annual visitation of the measuring Ameens, who bully them and whom they have to bribe, while Government will save the expense of the Ameen's pay; and the loss, no small one, caused by their dishonesty. The supervision of the Ameen's work is a much more difficult one than the supervision of the crop registry would be, since the Ameen's register is annually renewed, while the crop register would be merely corrected and improved each year. It will also be easier to discover the occurrence of a crop than the occurrence of irrigation. Practically, Canal Officers have little time for careful supervision of Ameen's measurements in consequence of their heavy executive duties.

Advantage of proposed system.

In the second place, cultivators would no longer be tempted to stave off irrigation until their crops were renewed. Canal officers will, I know, bear me out in the assertion that much self-imposed injury is occasioned to the cultivators from this cause.

In the third place, Canal authorities would have at their command a very approximate estimate of the quantity of water required in each district.

Government share of rental due to canal in villages newly irrigated.

57. The Government share of the rental due to irrigation will be easily calculated on the basis of the crop register, in villages, or in land into which canal-water may be introduced for the first time. The crop registers will include a record of irrigation by wells; year by year this register will become more accurate. A list of the previously dry fields can at once be constructed, and an extra revenue be calculated in accordance with the improvement in irrigation. I would recommend a quinquennial revision of this extra revenue on a review of the increased area for which irrigation is demanded during the lustrum.

In villages previously irrigated.

58. A calculation of the rental due to canal in villages already irrigated by canal-water is practically impossible. After the inspection of seven canal pergunnahs, I am convinced that, except for the purpose of making a rough estimate of the benefit effected by the canal, any investigation is useless. Wells have been ploughed over and effaced, and it is impossible to discover with any precision what area was or was not previously irrigated by wells. Should canal-irrigation be withdrawn from any village, it would be necessary to institute a fresh enquiry into the irrigability (if I may use the word) of the village from wells. I could propose in such a contingency, which is after all not a common one, that a very liberal deduction should be made from the revenue and rental at first, in order to enable the cultivators to reconstruct wells, and that the revenue should be enhanced at the end of the two quinquennial periods immediately following the withdrawal of the canal. This adjustment of the revenue would be easily effected on a review of the crop and irrigation revenue. It would be necessary only to exercise special careful supervision over the crop registers in such villages.

Necessity of accurate register of crops.

59. It is easy to see that the whole system will depend on an accurate register of crops and irrigation. I repeat that accuracy can effectually be maintained without difficulty; because each year's returns will render the classification more accurate, and I conceive that any expenditure incurred in the direction of securing an accurate crop register will be amply repaid by the valuable information which it will provide as to the agricultural resources of the country.

Conclusion.

60. I have endeavoured in the above report to base my suggestions on statistical information and ascertained facts, in accordance with the desire of the Board, expressed in the concluding paragraph of their Circular J. J. J., and I trust that the length which I have permitted my remarks to reach will be excused by the difficulty and extent of the subject.

Report by S. O. B. RIDSDALE, ESQ., B.A. *Settlement Officer, Etah, No.* 126, *dated Nynee Tal, the* 24*th August*, 1872.

PERMANENT SETTLEMENT.

I. Whether it be possible to lay down some standard of average rates below which no settlement shall be confirmed in perpetuity

2. In endeavouring to fix equitable rates for the permanent assessment of a tract calculated on a share of the rental assets, there are obviously two main points to which enquiry must be directed—(1), the adequacy of existing rents, and (2) the probability of their increase. The importance of the first point is illustrated by the conditions of Pergunnah Baghput, Zillah Meerut, the second by the history of the Boolundshuhur and the Bengal Settlements.

3. There seem to be two methods available for ascertaining the adequacy of the rental of a tract. One, by comparing the ratio which its rental bears to its total gross produce with the ratio shown by other tracts, the other, the simpler one of comparing the actual rents paid with reference to similar conditions of soil and other capabilities in parts adjacent.

4. To adopt the first plan requires strictly an elaborate estimate of the total actual produce which, as often as it has been tried, has been found impracticable to effect with sufficient accuracy, to be depended on in calculating the total value of the actual gross out-turn of a large tract of country: it would, however, perhaps, be not impossible to effect a comparative valuation between two given tracts by adopting the same method in each, which, though not giving an exact valuation of the produce of each, would sufficiently establish their comparative productiveness. There would still remain, however, many collateral conditions beyond actual fertility of soil, which materially affect the rental capability of a tract, which could not be thus mathematically estimated and compared. The second method, though more general in its nature and less ostensibly precise, would probably in intelligent hands prove the safer means of comparison. It was the means adopted in treating of the condition of Pergunnah Baghput.

5. It was there shown that although the condition of the tract in regard to agricultural development was sufficient to warrant permanent settlement, yet the actual rental was so inadequate that the highest assessment which could be imposed in the pergunnah under its existing rental conditions would ultimately entail an immense loss to the Government revenue. The inadequacy of the rental was satisfactorily proved by comparison with the rental conditions of the adjacent pergunnah, and it may, I think, be inferred generally from that enquiry that the relative adequacy of the rental of a tract is practically sufficiently ascertainable by that method.

6. A third, the pure *á priori* method, may recommend itself to some minds, of conceiving all the causes which ought to have come into operation to affect the rent, appraising the exact effect which each should have had, and thence developing the true ideal rent-rate of the tract in question: but this ingenious process appears scarcely sufficiently practical for actual use.

7. Illustrations of the rise in rents, and prices in the tracts immediately under my observation, I will enter into further on, after the general and abstract question has been discussed.

8. The second main point of enquiry is the probability of the increase of rental assets subsequent to the fixation of the demand, the rock on which the Boolundshuhur Settlement is held to have foundered: for it is obvious, that if any large increase in rental assets can be foreseen, the assessment of the tract cannot be fixed in perpetuity.

9. With a view to devising safeguards against such increase, the causes and conditions under which the increase occurs must be analysed.

They seem to be capable of classification under two main heads:—

I.—Increase of production.

II.—(When production has reached its limit) Rise of values.

Under the first of these main causes are ranged,—(1) increase of the cultivated area, (2) improvement of existing cultivation, which may be effected in three principal methods,—(*a*)extension and improvement of irrigation,(*b*)higher farming, (*c*) introduction of more valuable staples. The second main cause is due to—(1) competition for land consequent on increased density of population, (2) rise in the prices of produce.

10. The combined effect of all these causes in their fullest operation is to produce a condition under which the Government share of the rental assets may safely be fixed in perpetuity, for the estate would have thereby reached its maximum of development united with its maximum of rental. But, although the great problem may therefore be capable of solution by raising each of the above factors to its highest power, we are no nearer its practical application until we assign to each of them a definite value or standard. Now, of the first class of causes tending to increase rental assets—*viz.*, increased production—it is by no means impossible to fix such a standard as may be thought advisable: for they deal only with actual and ascertainable facts, with limits either absolutely known or capable of sufficiently close approximation and definition. A distinct standard of this class of conditions has indeed, already, been laid down in the Secretary of State's Despatch dated 23rd March, 1867, wherein it was declared as the

result of full discussion and mature deliberation that an estate might be permanently settled when cultivation had reached 80 per cent. of the culturable area, and when there was no prospect of improvement in assets of more than 20 per cent. by means of canal-irrigation. It seems however open to doubt whether these conditions impose sufficiently close restriction. Countless villages and wide continuous tracts of country have already passed the limit of 80 per cent. of cultivation; and as so large a margin of culturable waste seems to be by no means necessary to the adequate development of agricultural wealth, but, on the contrary, seems hardly ever to be left in the most advanced villages, I should be inclined to reduce the margin at least by one-half and fix the standard of cultivation at 90 per cent. of the culturable area. The other condition should, I think, be similarly and much more widely expended. I should refuse permanent settlement to all villages in which there was a prospect of improvement in assets of 20 per cent., not only from canal-irrigation, but from any kind of irrigation, or any other assignable means whatever.

11. Supposing, however, that all the conditions showing the improbability of increased production are fully answered, how can the second class of causes, the rise in values consequent on competition, and rise in prices, be dealt with, and their effects anticipated? It appears to me a hopeless and chimerical task to attempt to estimate the extent to which these disturbing causes may develop, or the rapidity and amount of their influence on rental assets, so as to make them a definite factor in fixing rates for a permanent settlement. It may be evident that a tract is somewhat deficient in population, and that rents have not yet been influenced to any appreciable extent by prices, but it seems to me impossible to come to any conclusion on *á priori* grounds as to how soon, and to what extent, increasing population will force up rents, nor when the higher prices of produce will begin to have their legitimate effect, and to what extent they will operate.

12. I am therefore of opinion that in determining the rates at which a tract may be settled in perpetuity, it is possible to ascertain, with sufficiently close approximation, the adequacy of existing assets, and to provide against increase of assets by increased production, but the further probable increase by rise of values cannot be estimated or provided for in the calculation.

II. The expediency of a permanent settlement based on adequate rates of rent subject to rateable increase according to rise in prices.

13. I now, therefore, pass to the second main question, whether, supposing adequate rates could be devised for assessing permanently fully developed estates, a rateable increase might be subsequently added in proportion to the increase in prices. I am decidedly of opinion that it could not. It seems scarcely to need demonstration that rents *ought* to rise with prices, and it may, indeed, be admitted that they ultimately to some extent do so, but it has certainly never been shown, if, indeed, it is capable of proof, how soon a rise in prices affects rents, or what ratio exists between them. Even if by some abstruse and laborious manipulation of statistics any definite relation were established between the two, it would be by no means logical to infer that the same relation and same rapidity of effect would occur in differently circumstanced parts of the country, and to enact that on proof of a certain percentage of rise in the price of certain staples of produce, a certain percentage should be added to the Government demand might in many parts be to discount a rise in rents which had never occurred. If prices only had risen and rents had remained stationary, it would be unjust to raise the demand: its justice would only be assured by proof that rents had risen, and this fact, whether prices had risen or not, would be a fair ground for the enhancement.

14. The principle seems a plausible one in theory, but is objectionable, not because of its being based on a theory, for a true theory must necessarily be true in practice, but because the theory is imperfect. I therefore abstain from discussing the details of its suggested application.

15. Even if some safeguard were invented to meet the rise in rents consequent on increase in prices, a similar and scarcely less enhancement is to be apprehended from competition for land, and, under the present system, from the gradual elimination of protected tenants, which, if unprovided for, would ultimately produce the same

dreaded disproportion between rental assets and the States demand. How this effect is to be anticipated and apportioned as a factor in the average rates for a permanent settlement seems a very intricate problem.

16. Reviewing the whole question of the expediency of a permanent settlement, and the possible safeguards to be adopted in conferring it, I should propose to grant permanence of assessment in such estates which have reached their maximum of development, and have already an adequate rental as defined in the foregoing remarks, *viz.*, that the rental is on the average on comparison of all the natural and artificial advantages and capabilities of the tract, not below that of any neighbouring or similar tract, that 90 per cent. of its culturable land is under cultivation, and there is no reasonable prospect of increase of assets, to the proportion of more than 20 per cent., by irrigation or any other means: and, to carry out the principle that the State should participate in any subsequent rise in value, I would add a stipulation that in case of increase of assets by more than 20 per cent. at any period, the State demand would be liable to enhancement, assets of course being defined to mean present rental value, not only returned income.

17. It seems simpler that a revision of demand should be contingent on an actual increase in assets rather than on causes which theoretically ought to produce such an increase, but are admittedly very uncertain in their operation.

The principle, if not incapable of being successfully carried out in practice, would seem to promise the desired result, that really fully-developed estates would be secured against any revision of demand, and the State against any extensive sacrifice of revenue.

Present rental condition and prospects of tracts under personal observation.

18. Reverting to the question of the present adequacy and prospective rise of rents in the part of the country under my own observation, it appears to me indubitable that, at any rate in the four pergunnahs with which I have had specially to deal, rents are considerably below the limit which they will ultimately reach. Especially in the three poorer pergunnahs along the left bank of the Kalee Nuddee, Sahawarkarsana, Azamnagar, and Sirpoora, and in the latter most of the three rents are, as a rule, particularly low. It is impracticable, as has been before stated, to fix an absolute standard as to what the limit of rent for each ought to be, but a comparison with the actual average of admitted rents in other pergunnahs similarly situated along this Doab shows a very large disparity. For these three pergunnahs the averages of existing rents per cultivated acre are—

	Rs.	a.	p.
Azamnagar, ...	2	0	9
Sirpoora, ...	1	15	10
Sahawarkarsana, ...	2	6	4

while proceeding westwards further up the Doab we get Soron, with an average rate of Rs. 2-8-1, Bilram, Rs. 2-12-11, Purblana, Rs. 2-11-4, and Atrowlee, adjoining, in Allygurh, Rs. 3-4-5, while on the east the adjoining pergunnahs of Shamsabad and Kampil in Furruckabad show an average admitted rental of Rs. 2-10-0.

19. The reason of the inadequacy of the rental in these pergunnahs is that in all of them rents were at the time of last settlement, and the revision which followed four years after, as far as can be gathered from the assumed rates of the assessments, very low, the pergunnahs being all at the time in a state of extreme agricultural depression from several successive years of scarcity and drought. These low rates were stereotyped by the settlement, and the enormous margin of culturable waste then remaining absorbed all extension of agricultural industry, and left the rents of the old cultivation unaffected. To these causes must be added the powerful influence of prescriptive custom backed by legislation, and direct action of the Settlement Officer prohibiting alteration of rents of permanent tenants and placing that of tenants-at-will also under restrictions. Every outlet for their natural expansion being thus carefully guarded, it is scarcely to be wondered at that rents should have remained nearly stationary. The large rise in prices which since occurred in these tracts, as well as all over

the adjacent country, had consequently scarcely any appreciable effect on rents, and we find that in both Azamnagur and Sirpoora, the average present rates of admitted rents are lower than those assumed at last settlement, which were Rs. 2-2-11 and Rs. 2-0-9 respectively. The immense extension of cultivation which has of course occurred in land of poorer average value than that before under tillage, has naturally tended to lower the average rate, and it is impossible to determine to what extent; but while prices have risen nearly 40 per cent in Azamnagur, and more than 70 per cent. in Sirpoora since last settlement, it is obvious that there must be a very large margin for the expansion of rents. The population, however, in Sirpoora and in the northern and western parts of Azamnagur, which much resemble it, is still deficient, being for the former only 419 per square mile of culturable land, while in the adjoining pergunnah of Sahawarkarsana the density is 560 to the same area, and until this deficiency is considerably remedied, the rise in rents will be proportionally retarded. Pergunnah Sahawarkarsana is itself an illustration of this; for there population being far denser, although the rise in prices of produce was no greater than in Sirpoora, rents had to some extent risen; the average of actual rents being already 11 per cent. above the average assumed at last settlement, and showing a strong upward tendency, which will, in a few years, outstrip the margin of 18 per cent. by which the new assumed rental is at present in excess of the actual.

20. In Pergunnah Etah Sakeet, on the other side of the Kalee Nuddee, the conditions are somewhat different, the soil being of superior quality, and both rents and assessment at a higher scale. The statistics, however, of this pergunnah are not quite completed so as to enable me to use them now as an illustration; they will however be commented on in the rent-rate report on the pergunnah to be submitted at the close of next month.

21. The other pergunnahs of the district have not been under my immediate observation, and the reports on their proposed assessments contain no discussions illustrative of the present questions; but in all of them the rise in the rental expected by the assessing officer has set in and is still in progress, in some cases perhaps exceeding what was anticipated. The power of the great engine, enhancement of rent, forced on the notice of the landlords by the enhancement of their revenue, is now beginning to be thoroughly appreciated by them, and acknowledged and feared by their tenants, and is wielded not only in formal suits, but not unfrequently as a persuasive influence for enforcement of higher rents irrespective of legal liability, and often never appearing in the rent-roll.

22. The main reason why such enhancements are possible is undoubtedly to be found in the large rise in the prices of all agricultural produce and consequent increased value of cultivation. The definite ratio between the rise in prices and rise in rents, as I have before stated, has never yet been demonstrated, even if it be discoverable; but as it is certain that prices must be a material element in the determination of rent, it may fairly be concluded that where prices have already risen immensely, and rents very slightly, the process of expansion of rents will probably still continue, even though prices remain for the present stationary. That prices generally will fall again for a continuance, I do not think is in the least probable, for the general causes which appear to have led to their rise are of a permanent character, marking a step in the advance of the nation; whether they will rise still further or not is a very difficult problem. On the whole I am inclined to think that beyond the equalization of prices between remote districts by improvement in communication, the general prices of the main food staples will not rise in any noticeable degree above their present level, although especial products, such as indigo and cotton, may experience considerable fluctuations and so affect the general average.

23. The limits to which rents will rise are the more impossible to predict when other important changes are impending. The most momentous of all crisis in the agricultural condition of a pergunnah, the introduction of canal-irrigation where it has been previously unknown, and where the natural water-supply is very scanty and precarious, now awaits the greater part of the district. It will, it is anticipated, be intro-

duced within the next six years, and with it will no doubt ensue the increase in population, closeness of cultivation, and rents, which are almost invariably observable wherever canal-irrigation has hitherto extended. The most striking effect will be produced in the Doab between the Kalee Nuddee and the Ganges, especially in Pergunnahs Sirpoora, Puttialee, and Azamnagar, where I anticipate, after about twelve years from the introduction of canal-irrigation, the existing agricultural conditions will be scarcely recognizable.

Percentage of culturable waste to total culturable area.	
Bilram,	11·0
Punchlana,	25·5
Soron,	16·2
Faizpur Badaria,	23·3
Olai,	29·1
Sahawur Kursana,	12·0
Sirpura,	16·3
Azamnager,	21 3
Puttialee,	28 1
Nidhpur,	35·9
Burna,	17·4
Marehra,	15·0
Sonhar,	18·8
Etah Sakeet,	16·7
	20·2

24. Increase in the rental to any extent by reclamation of culturable waste is now only possible in a few parts of the Etah District. Only in six pergunnahs out of the whole fourteen was the culturable waste remaining at time of measurement in excess of the limit of 20 per cent. of the culturable area, laid down in the Secretary of State's despatch for villages qualified for permanent settlement, and this proportion has since the promulgation of the new assessments been largely reduced. A table showing the percentage of culturable waste to total culturable area in each pergunnah, as shown by the recent measurements, is added in the margin. I doubt now if any one of them has nearly this proportion of available land. For the whole district, it will be noticed, that the culturable waste (in which *bagh*s are included) only just exceeded at time of measurement the prescribed 20 per cent. It is now undoubtedly far below.

25. Of the six pergunnahs showing the most culturable waste, three—Faizpur, Olai, and Nidhpur—are situated in the khadir of the Ganges, and the waste there being all easily capable of reclamation, and mostly well repaying it, is being rapidly absorbed. In the other three pergunnahs the waste land is chiefly high-lying sandy soil of very poor quality, without any present means of irrigation, but there are some tracts under *dhak* jungle which would well repay cultivation. Through all these three pergunnahs the new canal lines will pass, and in a few years scarcely any waste land will remain.

Temporary Settlements.

Adequacy of 50 per cent. assessment.

26. The absolute limit to the Government demand, the actual minimum of profits from the cultivation, beyond mere subsistence to the tillers, which can possibly be left to the holders of the soil, is very difficult to determine in the abstract, the right of the State being a complete monopoly, and the cultivation of the soil on which it is exercised being a necessary condition of human existence. The reasons for limiting the demand to 66 per cent. of the net assets of the landlord were fully and exhaustively discussed when the question of the settlement of these provinces was first mooted: it is superfluous to repeat or recapitulate the arguments. Although this proportion was reduced for the present revision of settlement to 50 per cent., it is demonstrable, at any rate with regard to the Etah District, that owing to the large amount of culturable waste available at the time of the original settlement, the actual incidence of the assessment, even when professedly leading only one-third of the assets as profits to the zemindars, was really less heavy than the assessment now calculated on half assets. The accompanying table shows for each pergunnah the comparative incidence of the old and new assessments on the culturable and the cultivated area. The amount of culturable land has of course really remained constant, although at last settlement a very large area of really culturable land was recorded as barren waste. The amount of culturable land, as recorded in the present measurements, is taken as the standard. It thence appears that for

Pergunnah.	Incidence on assessable area.		Incidence on Cultivation.		
	Former Jumma.	New Jumma	Former Jumma On old Cultivation	Former Jumma On new Cultivation	New Jumma.
	Rs a. p	Rs a. p	Rs a. p.	Rs a. p.	Rs. a p
Bilram, ...	0 13 4	1 1 11	1 0 4	0 15 0	1 4 2
Puchlana, ...	0 13 1	1 0 5	1 8 5	1 1 7	1 6 1
Soron, ...	0 14 3	1 1 7	1 8 7	1 1 2	1 5 1
Faizpur Badaria, ...	1 5 6	1 3 4	1 15 4	1 12 1	1 9 2
Olai, ...	0 15 2	1 3 4	2 0 7	1 5 5	1 11 4
Sahawar Kursana, ...	0 14 10	1 4 0	1 8 0	1 0 11	1 6 9
Sirpoora, ...	0 10 7	1 0 6	1 8 1	0 13 1	1 4 2
Azamnagar, ...	0 12 3	1 0 7	1 6 9	0 15 6	1 5 1
Puttialee, ...	0 10 3	0 9 5	1 2 1	0 14 4	0 13 2
Nidhpur, ...	0 11 3	0 13 7	2 0 11	1 1 7	1 5 2
Burna, ...	0 11 5	0 12 9	1 2 0	0 13 10	0 15 6
Marehra, ...	1 5 1	1 12 11	1 14 11	1 8 9	2 2 0
Sonhar, ...	0 11 7	0 14 2	1 3 1	0 14 4	1 1 5
Etah Sakeet, ...	1 4 5	1 12 5	1 13 6	1 8 6	2 2 1
	0 14 9	1 3 4	1 9 3	1 2 6	1 8 3

the whole district together the incidence of the present half-assets assessments is 28 per cent. heavier on the culturable area than the previous settlement at 66 per cent., while in one pergunnah the increased incidence is as much as 56 per cent. The old assessment at 66 per cent. fell at Re. 1-9-3 on the cultivated acre, but was reduced by extension of cultivation to Re. 1-2-10, and might have fallen to Re. 0-14-9 had the whole of the culturable land been taken up. The new assessments at 50 per cent. of assets fall at Re 1-8-7 per cultivated acre, and cannot fall lower than Re. 1-3-4 per acre even if the whole available area be cultivated; this moreover being impossible, as some margin of waste must always remain, the lowest rate to which it can be reduced, if only the minimum of 10 per cent. of the culturable area be left uncultivated, is Re. 1-6-0 per acre. The actual incidence of the present assessments is consequently, even on the half-asset principle, considerably heavier than the former assessments at 66 per cent., and, in fact, 66 per cent. of the assets was never, except perhaps in the first year or so of settlement, actually realized. As an argument, however, that neither 50 per cent., nor yet 66 per cent., of assets is the limit of demand which *can* be taken from the holders of the soil, may be instanced the former assessment of Talooka Etah, in Pergunnah Etah Sakeet, where the settlement was made with the village proprietors at 66 per cent. with the addition of 29 per cent. on that jumma as *malikana* payable to the Rajah of Etah, forming a total demand of more than 85 per cent of the assets. The details as to the present pressure of this demand, and its proportion to present assets, I cannot now supply, as the data are not yet quite ready.

27. [The illustration required by the Circular to be given, with reference to this subject, of the "average incidence of the present demand on the several classes of proprietors considered as petty proprietors, or as proprietors holding average or large estates," I do not understand. I do not comprehend the point of the desired comparison, nor the method in which it should be exhibited. The incidence of the demand on estates of petty proprietors will either, it appears to me, exceed or fall below the average demand on estates of large proprietors according to the accident of the relative rental value of their estates, subject of course in some instances to a reduction in cases where the petty proprietors are very numerous.]

28. With regard to the question whether the assessment might in some cases, as with talookdars, be fixed at more than 50 per cent., I think it the soundest policy to have one fixed standard for all full conditions of proprietary right such as those ordinarily prevalent in these provinces. Where proprietary right is more imperfect, or where it is to be in some measure newly conferred, a higher standard may fairly be adopted. I do not see on what principle a higher rate of assessment on large proprietors could be defended, except their capacity to pay. It would be a direct discouragement to the accumulation of capital, and, besides the chance of disintegration, would be liable to endless evasions by recording various parts of a large property in the name of several relations or fictitious owners.

29. For very backward and partially developed tracts I think, in preference to assessing at more than half assets, the now prohibited system of progressive or *rusuddee* assessments much the most suitable, as tending best to encourage and compel exertions in agricultural improvement, more in accordance with existing customs (for cultivating leases are in such tracts usually given on the same system), and finally less burdensome to the owner: for, in order to pay in the first few years what may be a fair average jumma for the whole period of settlement, he must, unless possessed of considerable capital, necessarily plunge into debt, which may ultimately prevent the contemplated improvements being effected.

II. Do the rent-laws operate as a restriction on the Government revenue?

30. The existing rent-laws, by imposing a cumbrous, uncertain, and expensive procedure for enhancing the rents of mowrosee tenants, without permitting any reference to rents paid by "unprotected" tenants, undoubtedly largely retard, and in many cases considerably prevent, the natural development of the rental, and thereby restrict the Government revenue which is based thereon. The Settlement Officer in fixing the demand on a village is compelled to pay strict attention to the degree to which the rent-roll under existing conditions can be expanded. In a village with a numerous

"unprotected" tenantry, he knows rents will develop with the greatest rapidity and to the highest possible extent: with a protected tenantry paying at low rates, surrounded by neighbouring similar tenants under the same conditions, it is obvious that enhancement will be a slow and probably incomplete process, and the assessment must be correspondingly lighter. These conditions being taken into consideration, the average rates of tracts as in the Etah District, where protected tenants largely preponderate, are fixed necessarily at a corresponding scale, and I have found in practice that the Courts have hitherto always maintained rents decreed with discretion with reference to these rates; but all allusion to rents paid by tenants-at-will or other natural standard of rent are carefully avoided. It is, however, a matter of no small difficulty on occasions to find a sufficiency of satisfactory neighbouring instances in support of a rent clearly considerably below what is ordinarily paid by "unprotected" tenants, what is certainly a light rent, and what the tenant sued ought undoubtedly to pay, making every due allowance for his position.

31. I think sufficient consideration for "protected" tenants might be ensured by allowing them a specific deduction, say from 5 to 10 per cent., from what could be proved to be ordinarily paid by tenants without rights of occupancy, and where such proof might not be obtainable, the Settlement Officer should be permitted full discretion to decree a "fair and equitable" rate under all the circumstances of the case.

III. Consideration to be given to prospective enhancement of rents after settlement.

32. To fix a higher assessment on the grounds of an anticipated rise in rents above the full present standard would, in my opinion, be a very dangerous system. Of course the real danger of the practice rests on the degree of uncertainty in the prediction of enhancement. If, by any process of ratiocination, it could be determined how soon, and to what extent, the rise would occur, it would be perfectly equitable to fix a jumma which would be a fair average of the State's demand for the whole period of settlement, discounting the anticipation of the increased jumma at fair rates of interest. It appears to me, however, that no degree of certainty whatever, either with regard to the time or extent of the rise, can possibly be attained; and that in the choice of two risks, the loss of some revenue to Government, or the unjust appropriation of more than its fair share of the assets, the former, the lesser, politically, of the two, ought to be accepted.

IV. Readjustment of demand during temporary settlement for canals, &c.

33. For the same and similar reasons I would not allow any enhancement of assessments under a temporary settlement during its currency for any reason whatever: neither for the introduction of canals, public works, nor diminution of the value of precious metals. Their effect on rents cannot be prognosticated with any degree of certainty. Above all things the certainty and inviolability of the settlement engagement, fixing absolutely the demand on the land for a specified term of years, ought to be maintained at all costs. It would, moreover, be much to be deprecated to make imperial schemes for the advancement of the country in a still further degree, objects more of dread than welcome by specifically declaring that their introduction would be followed by an increase in land revenue demand. The diminution of the value of the precious metals is only another phrase for the rise of prices as long as prices are measured in relation to them. It is a process of very gradual development, and should not be allowed in my opinion to affect temporary settlements, although it must be by no means lost sight of in arranging terms of permanent assessment.

34. Some loss, indeed, to the Government revenue by the increase in the rental assets during the currency of temporary settlements is probably inevitable, and can only be prevented by providing contingencies of intermediate enhancements, and thereby destroying the essential virtue of security and fixed limitation of demand, or else by the perilous system of discounting the anticipated increase before it has occurred. Two courses are open in meeting the evil—either to accept the temporary loss in the hope of reaping the fuller benefit on the expiry of the settlement, with the consolatory reflection that the riches of the people are the resources of the State, or to reduce the period of settlement according to the backwardness of the tract and prospects of increase in rental.

Report by COLONEL A. H. TERNAN, *Deputy Commissioner, Jaloun, No. 524, dated Oraie, the 28th August*, 1872.

* * * * * * * * *

6. The accompanying tables* taken from last Settlement Report give full details regarding nature of soil and varciou rates paid on each as revenue and as rental. Tables are also furnished from a recent memorandum by Mr. Auckland Colvin. A clear view of the present agricultural state of the district can be obtained by their careful study. It will be plainly seen that a permanent settlement is not desirable. The district is as yet quite undeveloped, and no standard rates, below which no settlement should be confirmed in perpetuity, can be ascertained. The revenue has been determined on the ascertained rents paid by cultivators after leaving a small profit. These rents were originally fixed on the average outturn of crop per beegah in each kind of soil. The rents paid generally by cultivators with proprietary rights may be said to be the standard rents, those paid by tenants-at-will varying much according to locality, &c. With the growing prosperity of the district, these rents have a tendency to rise, and they are far from having acquired their full limits. Prices have risen, also wages, but rents have not risen in proportion. For instance, in 1853 wheat was selling at 30 seers per rupee, and in 1863 it was down to little more than 17 seers, and is now (1872) selling at 19 seers. The reason of rents not rising as might be expected is the backward state of agriculture, great want of capital in the farmers mostly in debt to the money-lender, and the still greater poverty of the cultivator. All our former settlements were too high, and large remissions had to be made; the farmers were ruined. Land has now become more valuable and gives a better return for capital; the consequence is, with an attempt in the Lumberdars to raise the rents, there is also a greater tendency to sub-division of property to secure more effectually to each the profits realized, but rents have remained stationary notwithstanding. Much remains to be done by Government for the improvement of the district. The district may be said to be in every way in a transition state, and but slowly recovering from former Native exactions and our own high assessments. In a few years a complete canal system, it is hoped, will be introduced, completely changing the aspect of the country.

7. Regarding a permanent settlement based on adequate rates, but subject to the condition of a rateable revenue in proportion to the increase of prices, would, I consider, destroy all confidence in our Government, as well as value in landed property. Such rating would not be feasible without causing much discontent. It would be difficult, if not impossible, to fix any staple by which the increase of prices could be fairly estimated, or the intervals and mode of applying the test.

8. As far as this district is concerned, I consider the present standard of assessment at 50 per cent. of the rental assets left to proprietors as not excessive. The Government gets a clear moiety of the estimated revenue. The farmer has, after making good the Government demand, all the risk of management, bad seasons, and other innumerable contingencies. The farmer has heretofore lived from hand to mouth, and has had to struggle against grasping money-lenders, defaulting tenants, and oft recurring bad seasons. The profits, it may be seen even by last settlement, left to farmers and cultivators are but small,—not more than perhaps three or four rupees per acre in best soil.

9. Under the pressure of former settlements at 66 per cent., the district was brought to the verge of ruin. It must be remembered that 66 per cent. was exacted soon after the district had come under our rule. It was in a most impoverished state as may be supposed, and quite unfit to bear the burden. All records regarding these settlements were destroyed in 1857-58. It is impossible to give, with any degree of exactness, the incidence of the present settlement on the different tenures of this district, but it must vary considerably according to the nature of the holding. It is a matter that would require much time for complete investigation.

* Not printed.

10. The Government share of rental assets might for some years to come be limited to 50 per cent. as a matter of policy. If the share of rental assets was left to the discretion of the Settlement Officer, he would embark on a sea of trouble without guidance of any sort. It would be, under such circumstances, difficult to limit his discretion, or to check the evil resulting from want of such.

11. The Rent Law, Act X. of 1859, does not apply to this division, and I am not aware that there is any restriction beyond local custom to the rise in rents paid by tenants having no right of occupancy. There is a tendency, as before stated, on the part of the Lumberdars to raise the rents even of those holding in proprietary right, but few cases comparatively come before the Courts. They are settled outside. The Lumberdars are generally successfully opposed, and have to yield or run the risk of seeing their fields untilled, and their tenants abscond.

12. On no purely theoretical grounds, in view of a settlement for a term of years, could enhancement of rent-rates beyond prevailing standard be safely assumed as a basis of assessment. Such theories would be apt to greatly mislead and have serious consequences. Again, the expediency of assuming at time of settlement any considerable rise in rents which is prospective only, in other words, of taking for an *indefinite* term of years a larger share than usual of the existing rental assets, appear very doubtful, even when weighed with especial reference to the circumstances of a district; for circumstances beyond control may render the assumed rental assets purely imaginary: few officers would possess the insight necessary for such an experiment. I doubt the expediency also of leaving the assessment open to enhancement or re-adjustment during a term of temporary settlement; it would be better by indirect taxation to raise the sum expended on canals and other improvements affecting the land.

13. Temporary settlements are not without great drawbacks, and are ably stated by Mr. Colvin in his memorandum. The fresh settlement of a district means "the "value of property depreciated until the exact amount of the new assessment is "declared, credit affected, heart-burning and irritation between landlord and tenant, "suspicion of the intentions of the Government, and a host of official underlings scattered "broadcast over the vexed villages." Such is a mild picture drawn of the operations of a new settlement. The people are harassed and plundered by the Government underlings, bribery and corruption are paramount, and that goes on often for several years. Before a fresh settlement takes place, it ought to be clearly shown that such has become from various reasons necessary, indeed urgent. To a great and stable Government, the extension of a successful settlement for another 30 years, perhaps, can be a matter of no great import, and its cancelment and enhancement might have most serious results, and check prosperity for years.

14. As long, however, as India derives its principal revenue from the land, a permanent settlement is impossible till the resources of the Empire in every department are more developed than at present, and until, as in old European States, the public treasury is filled by taxes in various shapes levied on the accumulated wealth of the nation.

Report by PHILIP J. WHITE, ESQ., *late Settlement Officer, Jaloun, dated 12th September,* 1872.

I deal with the questions in the order in which they have been put by the Board, premising that the delay in submitting this paper has arisen accidentally. When the Circular was first received in the beginning of last cold season, I was Officiating Deputy Commissioner of the District, and laboured under a great pressure of work. It seemed, too, that a reply was optional, and afterwards I went on a short leave to England. It is only within the past few weeks that, being again called upon, I have taken up the difficult matter (amid other work), and now submit my views with all due diffidence.

Section I.—Permanent Settlement.

I. It is possible to lay down some standard of average rates below which settlement in perpetuity should be denied?

* * * * * * * * *

2. The Board, I understand, wish each Settlement Officer in considering this question to address himself more especially to the circumstances of his own district, rather than to treat it speculatively as a general problem. Thus limited, the answer for this district is easy and precise. Under the present agricultural condition of Jaloun, no such expedient is possible, as will sufficiently appear from the considerations offered in the next eight paragraphs.

3. There is almost a total absence of irrigation; the crops are at the mercy of the rains; the agriculture is of a poor rudimental quality; there is (not to allude to exceptional fields) no manuring; there is no arranged rotation of crops; year after year, for example, wheat and gram intermixed are taken from the soil without any attempt to return to it new powers of production by applying compost or irrigation, or by following with another recuperative crop; renovation is indolently left to the action of the atmosphere and the sun between harvest and harvest, and fortunately these natural agents, with the temporary fallow, do put some new life into the exhausted soil; the population, finally, is not in due proportion to the land, being 262 to the square mile, against the North-West average of 361, which itself, though a full, is not an excessive figure. Thirty-two years ago, the population of the North-West was 322 to the square mile; even this average materially surpasses the Jaloun average of the present day.

4. From 1844 to 1861 out of an area of 679,700 acres,* bearing a revenue of Rs. 5,87,710, 94,920 acres of a revenue of Rs. 1,08,760 were alienated for a recorded value of Rs. 1,56,700. The price thus shews at only Re. 1-10-5 per acre, or 1·15 times the revenue. But abatement has to be made from even these miserable results. For, taking the revenue as the criterion, the alienated lands are 32·5 per cent. better than the general quality of the whole. The explanation is, that with low prices ruling, the old revenue was excessive, which spread poverty through the agricultural community, and deplorably depreciated the value of land. In Pergunnah Koonch the results carried down to 1868 do not show to better advantage; 5,068 acres carrying a revenue obligation of Rs. 8,262, sold for Rs. 9,128, the price per acre being Re. 1-12-10, and the number of years purchase 1·1; but this pergunnah, from a congeries of mischances, broke down utterly under the old settlement. The progress of recent years is, however, daily telling on it, and land in Koonch is now far from being thought, as it once was thought, "a doubtful good." Pergunnah Calpee, with no drag of over-assessment upon it, presents a more faithful picture of the effects of the marked general progress which we know to have occurred. In the 17 years from 1841 to 1857 (the mutiny year), 15,776 acres of arable land, the revenue on which was Rs. 14,220, were sold for Rs. 25,050, giving only Rs. 1-9-5 per acre, or 1·8 in regard to number of years purchase. But in the 11 succeeding years, from 1858 to 1868, soon after the beginning of which progress energetically commenced, 14,226 acres, of a revenue of Rs. 16,136, sold for Rs. 75,756, fetching Rs. 5-4-0 per acre, and 4·7 times the jumma. And I know that within the last few years land has all through the district bounded forward wonderfully in value.

5. The following table will supply particulars of the cultivation of the district and the margin of culturable land:—

Settlement.	Cultivated.	Culturable Waste.			Whole arable area.	Cultivation on total area.	Cultivation on whole arable area.	Culturable on whole arable area.
		Old.	Recent.	Total.				
	Rs.	Rs.	Rs.	Rs.	Rs.			
1 Jaloun, ...	4,55,224	64,495	19,442	83,937	5,39,161	64·18	84·44	15·56
2 Koonch and Calpee, ...	1,46,711	12,390	2,760	15,150	1,61,861	68·46	90·64	9·36
3 Duboh, ...	9,922	454	214	668	10,590	60·18	93·69	6·31
District Total, ...	6,11,857	77,339	22,416	99,755	7,11,612	65·N	85·98	14·02

Vide printed "Jaloun Settlement" Report, pages 30, 36, 42, 49, and 53.

These figures certainly show that cultivation, pure and simple, is beyond the standard of development prescribed for a perpetual settlement; but their effect is destroyed by the elementary character of the agriculture, by the absence of any high farming, by the transition state of rents (as will be presently shown), and by the prospects before the district of improved means of communication and irrigation. I am not aware at what point the scheme stands now, but surveys were made a few years back for cutting a canal from the Betwa to the Jumna, which rivers form, respectively, the southern and northern boundaries of Jaloun. And when the Sheregurh and Koonch roads are metalled, the former of which, communicating direct with the Railway at Puphoond in the Etawah District, is now in hand, the surplus produce will find what it wants,—good remunerative markets.

6. Turning to prices, their general level for each of the last 17 years, for the principal products of either harvest, will be ascertained from the subjoined table:—

Years.	Rubbee.			Khurreef.			Remarks.
	Wheat.	Gram.	Barley.	Cotton.	Jowar.	Bajra.	
1854-55, ...	55	77	53	29	81	84	The entries are in lbs. of 80 to the maund per rupee.
1855-56, ...	56	74	82	30	80	74	
1856-57, ...	50	76	76	25	81	76	
1857-58, ...	70	105	108	22	97	92	
1858-59, ...	67	106	96	23	99	90	
1859-60, ...	58	72	70	18	73	66	
1860-61, ...	46	52	52	18	53	50	
1861-62, ...	49	60	57	21	59	58	
1862-63, ...	59	60	71	19	63	62	
1863-64, ...	44	58	55	10	54	53	
1864-65, ...	40	57	53	13	51	49	
1865-66, ...	40	50	52	22	69	55	
1866-67, ...	39	58	55	19	58	53	
1867-68, ...	52	61	60	20	56	54	
1868-69, ...	26	32	30	10	28	26	
1869-70, ...	44	54	50	14	60	52	
1870-71, ...	66	80	80	18	56	46	

7. I think this statement proves that a durable change in prices first began in 1860-61. Their fluctuations since that year have been confined within certain narrow bounds, with only three notable exceptions. In 1862-63 both the spring and autumn harvests were extraordinarily plentiful; and in 1870-71 the spring crop was an overflowing one: prices consequently fell. The average agriculturist is so dependent on the local usurer for seed grain, for payment of the revenue, for even his ordinary wants, that these bountiful whims of nature rather oppress than benefit him; they enrich the local usurer, who literally drones into affluence by the silent power of *soodh*, and yet who, by a blessed fate, is the only individual in the body politic over whom taxation* passes with a surface scratch. On the other hand, in 1868-69, drought occurring, prices ran up abnormally for the time being. I do not trace the rise from 1859-60, because, though its prices are strikingly higher than of the two years preceding, those were times of anarchy, when all commerce and communication were interrupted, necessitating the consumption of the produce on the spot where the supply over-balanced the effectual demand; the prices, too, of this year are in general accord with those of the three antecedent years to the mutiny. On review of the prices since 1860-61, it does not seem that any *material* advance in them is probable *in the near future*. There must occur some equally radical change in the economical condition of the country to that which surprised it about the year 1861, before prices are likely to exhibit any further sudden and violent variation, though, with the progressive wealth of the country, the tendency will no doubt be to a constant gradual rise.

8. I now come to the question of rents. The bulk of the Jaloun District only came under British administration so late as 1844. There are no means of showing what were then either the average rents or the average prices, but the information is

* *Id est*, the Income Tax.

not indispensable to the present inquiry. All that is necessary I am fortunately in a position to present. Assessment operations in the above-mentioned portion of the district preceded those of its remaining complement, Koonch and Calpee, by about ten years; and a comparison of the general rents found and recorded at the two periods will afford valuable inferences. The comparison, I would observe in passing, is not a strained one, for the *average quality* of Koonch and Calpee together, the best and the worst lands of the District, is not superior to the average quality of the lands of the Jaloun Settlement.*

	Per Acre.					
	Teer.	Cachar.	Mar.	Kabur.	Purwa.	Rakur.
		Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.
Major Ternan's recorded rent-rates of 1859-60 (approximate).	No *Teer* lands settled in 1859-60, Rs. a. 3 12		3 10	2 15	2 8	1 5
Mr. White's of 1868-69, (average of Koonch and Calpee), approximate.	8 15	5 0	4 8	3 6	2 13	1 9

9. This table shows that in 10 years the increase in the cachar rent-rate was Re. 1-4-0, in mar Re. 0-14-0, in kabur Re. 0-7-0, in purwa Re. 0-5-0, and in rakur Re. 0-4-0 per acre. Which means, that if the revenue were now simply adjusted according to the increased rents on the lands settled under the 1859-60 rates, there would be an increment to it of Rs. 1,24,433, thus :—

Soil.	Cultivated acres in "Jaloun Settlement."	Increase in rent.	Share of revenue.	Increase to revenue.
				Rs.
Cachar, ...	7,719	×1 4	÷2=	4,824
Mar, ...	152,054	×0 14	÷2=	66,524
Kabur, ...	125,391	×0 7	÷2=	27,429
Purwa, ...	132,758	×0 5	÷2=	20,743
Rakur, ...	37,302	×0 2	÷2=	4,663
Acres, ...	455,224			1,24,183†

10. As to whether "rents have reached their full present limit," if we assume that the rise in rents should at least be in proportion to the rise in prices,‡ then rents have not yet reached their full present limit. I give in the margin the average of prices, first, up to 1859-60, and, next, up to 1868-69, from which it appears

‡ Mr. J. Stuart Mill says the rise ought to be in even a higher ratio.

* In great part the Pergunnahs of Oraie and Jaloun are every bit as fertile as the prize portions of Koonch. Then Madhogurh, too, has a fertile soil. Pergunnah Atta is the only bad share of the Jaloun Settlement tract.

† This is a perfectly safe amount to accept as the resulting increase, for it allows a margin of no less than Rs. 50,250 for error. This sum, representing further revenue, is obtained by applying the rent-rates of 1859-60 to the cultivated area to which they relate, thus :—

	Acres.	*Rent-rates.*	*Rent.*
Cachar, ...	7,719 ×	3 12 0 =	28,946
Mar, ...	152,054 ×	3 10 0 =	5,38,696
Kabur, ...	125,391 ×	2 15 0 =	3,68,336
Purwa, ...	132,758 ×	2 8 0 =	3,31,895
Rakur, ...	37,302 ×	1 5 0 =	48,959
		Assets, ...	13,16,832
		Revenue, ...	6,58,416
		Revenue imposed, ...	6,08,166
Rent-rates show a revenue more by			Rs. 50,250
If we add			„ 1,24,183
The increase rises to			... Rs. 1,74,433

that wheat and gram, which are sown intermixed on mar and kabur lands, rose 32 per cent. in price, while on those soils taken together, rent has risen only 21 per cent. Again, *jowar* and *bajra*, which largely monopolize the purwa and rakur lands, have risen in price rather more than 35 per cent., while their rents have risen only about 17 per cent. But prices always come earlier under the influence of competition, and are much more universally subject to it than rents. These pay chief homage to custom. If competition rather than custom regulates the rent of tenants-at-will, custom rather than competition regulates the rent of all occupant ryots. And on the whole, custom, usage, the law of the country, these have here a preponderating authority in the fixation of rents. It is not strange, therefore, that rents have not yet risen as high as they might; the margin for a further rise, however, is there, and so with the lapse of time the tendency of rents will be to rise. It is also most probable that there has been some additional advance since 1868-69, when the standard prevailing rents were last ascertained.

	Rubbee.			Khurreef.		
	Wheat.	Gram.	Barley.	Cotton.	Jowar.	Bajra.
Average of prices from 1854-55 to 1859-60, ...	59	85	82	25	85	80
Average of prices from 1860-61 to 1868-69, ...	44	54	54	17	55	51

II.—Should a permanent settlement be subject to the condition of a rateable increase of revenue in proportion to increase of prices?

11. The hypothetical proposition is to make the settlement on the basis of the value of a fixed quantity of produce, such value being open to revision if the rise in prices in course of time exceed a given ratio. Admitting the abstract excellence of the idea,* the questions which arise are, what staple is to be taken as the test, how is this test to be applied, and at what intervals?

12. Wheat is the article most commonly recommended to measure altered value, but while it is the fittest criterion in Europe, it is not so here, because it is not the constant general food of the mass of the people. Whatever constitutes the ordinary food of the masses is the proper standard of valuation, because, as being a necessary of life, the demand for it is less liable to variation than anything else, and because the quantity of it raised will within narrow limits conform itself to the effectual demand. The accidents of seasons, producing accidental prices, will be eliminated from this proportion of quantity to demand by taking the average of a number of years. The average prices of a series of years will therefore afford the requisite standard of comparison.† Cycles of twenty years will be sufficient, in my view, to supply a true average; it being further understood that no change would be made unless the increase of price was at least found to be equivalent to 2 annas in the rupee, or 12·5 per cent. This, on the hypothesis of a similar increase in rents, would furnish an increase to the revenue of 6·25 per cent. on the total rental, which in sums of lakhs would give tangible results. But the landlord must be armed with summary legal power to raise all his rents in the same proportion, or the whole scheme must collapse. I must not be understood to convey that if at revision, say, the prevailing average prices are found to be 12·5 per cent.

* It is remarked in the *Wealth of Nations* that "the rents in England which have been reserved in corn have preserved their value much better than those which have been reserved in money."

"Supposing that in the first of Henry VII., N. let 100 acres of land to A. for six pence per annum per acre rack-rent, and to B. another 100 acres of land, of the same soil and yearly worth with the former, for a bushel of wheat per acre rack-rent (a bushel of wheat about that time being probably sold for about six pence), it was then an equal rent. If, therefore, these leases were for years yet to come, it is certain that he that paid but six pence per acre, would pay now fifty shillings per annum, and he that paid a bushel of wheat per acre, would now pay about twenty-five pounds per annum, which would be near about the yearly value of the land were it to be let now. The reason whereof is this: that there being ten times as much silver now in the world (the discovery in the West Indies having made the plenty) as there was then, it is nine-tenths less worth now than it was at that time."—*Locke's Considerations on lowering the Rate of Interest.*

† "Perhaps a safer criterion than either a rise of rents, or a rise of the price of corn, would be a general rise in the price of land."—*Mill's Pol. Econ.*, Book I., Chapter 2, Section 5.

higher than they were 20 years before, and acted upon as above, the landlord should thereon have the power of summarily raising his rents of the day by that percentage all round, but that he should have the power of bringing them up to that point, *working on the basis of the recorded rents of twenty years before.* All undue exaction would thus be obviated, and intermediate increase of individual rents taken into account and allowed for. Cultivators in the position of quasi-proprietors, or with privileged tenancy, might perhaps be held liable to have their rents enhanced only in the same ratio as the revenue and no more.* The same officer that determined the resulting increase to the revenue would be the proper agent for adjusting the rents. With rents so shackled by custom as they are, which prevents their answering fully or quickly to an increase in prices, such an adjustment is simply a *sine quâ non* to the existence of the scheme.

13. I am altogether in favour of a permanent settlement so limited, wherever it can be otherwise appropriately conceded; but the prospect of a settlement in perpetuity in Jaloun is so distant, that I need not go more practically into this question in direct relation to it.

Section II.—Temporary Settlement.

I.—Is the present standard of assessment at 50 per cent. of the rental assets inadequate?

14. A negative may be, I think, safely submitted in answer. Besides 50 per cent. of the revenue, the assets have to meet other onerous State obligations. There are 5 per cent. for cesses, 2 or 3 per cent. for payment of Putwarees, 2½ per cent. for remuneration of Lumberdars, and on the average about 3½ or 4½ per cent. for village expenses. All these, except the last, are imposed by the State, and even it comprises items incidental to our administration, such as *dustuk tulubana* and cost of the annual village papers officially prescribed. We must thus at the threshold deduct from 63 to 65 per cent. from the rental before we can attempt to define the landlord's profits. For all the risk and trouble of management, 36 per cent., say, of the rental is anything but an excessive ratio of profit where properties are small and the rate of interest exorbitant. I can illustrate the smallness of properties by statistics at hand for three-fourths of the district. The Jaloun Settlement has a cultivated area of 455,224 acres, and an aggregate culturable area of 539,161 acres, distributed between a proprietary which numbers 13,095.† Each proprietor, therefore, owns an average of 34·8 cultivated, or 41·2 culturable acres. The present rental assets of the "Jaloun Settlement," on the data given in paragraph 8 and its note, may be put at Rs. 15,65,198, from which is obtained a general rent of Rs. 3-7-0 per cultivated acre. This gives a rental of Rs. 120-5-0 for the holding owned by each proprietor, and 36 per cent. of it, or between 39 and 40 rupees per annum, represents the nett profits with which he is to subsist himself and family. This attenuated income has of course to be eked out by other means, principally by the proprietor practising cultivation himself, which adds profits, such as they are, to rent.

15. Those who, looking only at the produce, deduce from it a correct theoretical rent, and then stand amazed at the prodigality of our settlements, forget one consideration which unfortunately rules the whole question inexorably. They forget (to put aside the restrictions of custom) the usurious interest of the village money-lender and all it implies. Native bonds for money coming before the Courts never exhibit an interest of less than 24 per cent. per annum, but from year to year the average agriculturist borrows on a stipulation of 50 per cent. interest, practically paying, however, far

* In Mr. Holt Mackenzie's scheme the rents of this class of cultivators were to be finally determined on introduction of a permanent settlement, and not held liable to change by the proprietor thereafter. "With respect to the resident (*khoodkasht* or *chupperbund*) ryots, who are generally understood to possess a prescriptive hereditary right of occupancy so long as they shall continue to pay their rent according to a fixed rate, there seems to be comparatively little chance of maintaining their rights, except by fixing the *ryebundee* of each village at the same time that the settlement is made. Without this precaution there is, I think, every reason to fear that, as in Bengal, the main benefits of a permanent settlement will be lost. And the cultivators of the soil may possibly suffer by a measure that will render their landlords less dependent on their labour, and better able to oppress them."—Paras. 328 and 329 of his memorandum, dated 1st July, 1819.

† See paras. 25 and 53 of my Report No. 58, dated 30th April, 1869.

more, as I illustrated for the spring harvest of 1870-71 in paragraphs 2 to 4 of my Revenue Administration Report of the District for that year, dated 25th October, 1871. A stock case is given by Mr. Beames, at pages 230-31, volume 1, of his edition of Sir H. M Elliot's Supplemental Glossary of Indian Terms, which I quote for reference:—"At sowing time the cultivator borrows, say, one maund of seed, value 2 rupees, and engages to repay it at harvest with interest at 50 per cent. At harvest time the price of grain has fallen, as it always does, to, say, one rupee a maund. For 2 rupees *plus* the interest, the cultivator has to pay then three maunds. This iniquitous system is sometimes pursued a step further. Suppose that the harvest is a bad one, as often happens; the ryot comes to the lender and says: 'I cannot pay you till next harvest.' 'Very good,' says the lender, 'I shall charge you 50 per cent. on the whole amount, principal and interest,' compound interest in fact. The account then stands over till next harvest, when it assumes this shape:—

"Lent originally one maund of grain, value, ...	Rs.	2
"Interest at 50 per cent., ...	,,	1
	Rs.	3

"Market rate of grain at harvest time, 1 rupee = 1 maund.

"Therefore due 3 maunds.

"Market rate of grain at sowing time (after a bad harvest),	Rs.	3
"Therefore 3 maunds, = ...	,,	9
"Interest at 50 per cent., = ...	,,	4½
"Total, ...	Rs.	13½

"Market rate of grain at harvest time 1 rupee = 1 maund.

"Therefore due 13½ maunds, which will be sold three months later at 2½ rupees a maund = 33 rupees 8 annas. And all this for one maund originally lent!"

16. It is surely quite evident how the profits, which can afford such an interest, must consume the best part of what ought legitimately to be the rent of the landlord, and how in its turn such enormous usury must eat up the greater portion of these profits. Interest has been called by Hume "the true barometer of the State," its lowness being an almost infallible sign of national prosperity, whilst the converse as certainly indicates a depressed condition of the people. It is not, then, so much the conservative action of rights of occupancy, or the privileges of any other class of protected ryots, which unnaturally keep down rents, and consequently the revenue, as this dreadful dead-weight of usury, from which it would be well worth the while of Government to attempt to rescue agriculture at almost any cost, risk, and trouble.

17. The comparative incidence of the former settlement at 66 per cent., and of the present at 50 per cent., of the assets is shown in the follwing table:—

Title of Settlement.	Rate of Settlement.	Cultivated area.	Whole assessable area.	Revenue demand.	Incidence per acre. On cultivation.			On whole assessable area.		
				Rs.	Rs.	a.	p.	Rs.	a.	p.
1 Jaloun Sett., ...	Old at 66 per cent., ...	300,415	411,361	6,60,886	2	3	2	1	9	8
	New at 50 per cent., ..	455,224	539,161	6,16,847	1	5	8	1	2	4
2 Koonch do., ...	Old at 66 per cent., ...	71,747	80,184	2,02,798	2	13	3	2	4	6
	New at 50 per cent.,...	86,227	90,892	1,94,924	2	4	2	2	2	4
3 Calpee do., ...	Old at 66 per cent., ...	37,329	68,612	78,335	2	1	7	1	2	3
	New at 50 per cent., ..	60,484	70,969	93,562	1	8	9	1	5	1
4 Duboh do., ...	Old at 66 per cent., ...	Unknown. Records destroyed in Mutiny.								
	New at 50 per cent.,...	9,922	10,590	16,176	1	10	1	1	8	5
District Total with Duboh.	Old at 66 per cent., ...	409,491	560,157	8,82,019	2	2	6	1	9	2
	New at 50 per cent.,...	611,857	711,612	9,21,509	1	8	1	1	4	9
District Total without Duboh.	Old at 66 per cent., ...	409,491	560,157	8,82,019	2	2	6	1	9	2
	New at 50 per cent.,...	601,935	701,022	9,05,333	1	8	1	1	4	8

18. This comparison demonstrates at a glance that while the 66 per cent. assessment was a very material share of the assets at time of imposition, it moved on a steadily descending scale from that date forward; for at the end of its course, the cultivation had increased by the enormous quantity of 192,444 acres,* proportionally affecting the ration of the assessment to the assets. Yet the strain at the beginning was too much, and capital was so little diffused through the proprietary body, that a large number of them could not sustain the preliminary period of pressure which tided over would have placed them in comparative ease and comfort. The 66 per cent. assessment of the "Jaloun Settlement" had to be reduced in course of currency from Rs. 6,60,886 to Rs. 6,14,516, and that of the Koonch Settlement from Rs. 2,02,798 to Rs. 1,82,642. Rent being low, and the proprietors numerous and poor, 66 per cent. was too formidable a proportion to levy on the immediate assets. Had a graduated assessment been adopted, the expanding cultivation would have provided the means for the increasing revenue, and both private ruin and public loss would have been averted. Calpee is an instance in proof. Its former asssessment began with Rs. 65,099, and the sum of Rs. 78,335 shown in the above table was risen to very gradually after a series of years. The state of the culturable area required this treatment, and it not only secured a progressive accretion to the revenue, but judiciously nursed the pergunnah for a profitable revision of the settlement at its conclusion. I think very much the same features will be found to mark all the old settlements of the provinces. I know of no case where 66 per cent. of the assets has formed a permanent, or nearly permanent, proportion of assessment during a number of years; it has always been early eased by the help of plenty of readily available culturable land. This resource has been pretty well exhausted now, and therefore such a high rate of assessment as 66 per cent. is no longer possible, unless our landlords are to be improved off the face of the earth. Fifty per cent. is as much as we can take and they live.

19. No doubt in the exceptional case of large talookas, where a great rental is realized with little risk or expense, the proportion of assessment might be pitched higher than half assets, say at 55, or even 60 per cent., without making the State demand bear on their rich owners as on petty proprietors; but is it advisable? Any invidious distinction of this sort must breed discontent. A Talookdar, if he has a large income, has a large expenditure too, and it is not perhaps the best policy to attempt to reduce all fortunes to the same level. The stimulus of inequality is necessary to the industrial progress of society. Talookdars are the landed aristocracy of the country: economically they supply the standard of opulence which encourages local trades and manufactures, and politically they give stability to the Government. If ever the present primitive style of agriculture, with its archaic routine practices, is to be improved and advanced in India, it will be through the initiative of these Talookdars who, as they have the means, may yet develop also the intelligence and the enterprise necessary for the task. On the whole, I would deprecate a higher standard of assessment for talookas.

20. Nor do I think it would answer in imperfectly cultivated tracts. Where the good culturable waste is excessive, the assessment, in my judgment, should be at half-assets on the existing cultivation with a graduated rise, becoming operative in future years, carefully adjusted to the margin for development.

II.—Do the rent-laws interfere with a full assessment?

21. To the extent that they fetter the Settlement Officer, they do. On this subject I go heartily with the views of Mr. Auckland Colvin,† Secretary to the Board of Revenue. We may have no present remedy for the incubus on rents which the money-lender undoubtedly is, but there are other artificial obstructions known to every Revenue Officer, which could be readily dissipated to the advantage of the revenue, did the law agree to what seems but the natural and sensible course of allowing the Settlement Officer to look first to the sufficiency of the very foundation and ground-work of his

* In about 28 years.

† *Vide* his memorandum, dated 4th May, 1872, pages 91, 92, 129, 130, 136, and 137.

labour. He is entrusted with the determination of the revenue on the basis of rents, yet all that he has to say to those rents is to enter upon a play of wits with the landlord and the ryot in endeavours to discover them. The public revenue can never be pitched at a full fair and equitable amount, unless the old power vested in Settlement Officers of revising rents is restored to them. It is hard to say why this power should be withheld. With all the rules and directions for his guidance, the Settlement Officer has still such a discretion in determining the amount of his assessment—only assigning good reasons in substantiation of it—that it is strange there should be any hesitation to allow him, under all proper limitations, the power of reviewing and re-adjusting the rent-roll "in accordance with the conclusions to which his own large experience and inquiry have led him." Rents so revised should not be liable to alteration unless by decree of Court, and having thus been once generally re-arranged on comprehensive considerations, I think that thereafter the existing provisions of Act X., restricting the landlord's power of enhancement, would be sufficient to prevent any undue and arbitrary augmentation of rents. I of course mean to cover the rents of tenants-at-will also, since the Settlement Officer will have already made them pay at the full market rates, and there is no reason why the landlord should be left free to further rack-rent them at pleasure. The right remedy to our present difficulty of drawing an adequate measure of revenue from the land without disorganizing society is, in Mr. Colvin's words,* "to be found in arranging at time of settlement for the fair and full valuation of rents, not by law Courts and vain *formulae* of enhancement, but by the only officer competent to do it—the Settlement Officer who stands to-day in the place of Akbar's Amil, and who has to guide him a mass of *data* which he only can effectually handle. A far larger revenue would be gained with a smaller amount of heart-burning. The treasury would be satisfied, and the people more content."

III.—To what extent, if at all, may prospective increase in rents be anticipated in the assessment?

22. I am quite clear that there is no danger in giving Settlement Officers a discretional power on this point, but I doubt if it is possible to lay down any hard and fast rules for invariable observance. All that can be done is to tell the Settlement Officer that if he sees grounds for concluding that an immediate, or compartively immediate, rise in rents is reasonably certain to occur, he will anticipate the circumstance, but with all due moderation, distinctly stating in his rent report, for the Board's previous judgment, both the signs on which he relies, and the degree in which he would forestall the expected rise. When this is called "discounting the future," it begins to look a little enormous; but is not that simply trying to kill by a phrase? Without pretending for the Settlement Officer any gift of casting the economic horoscope of a district during thirty years, he may surely be credited with some intelligence, as well as special skill, for appreciating what he sees to be going on around him, and from the premises valuing the probable results in the near future. Beyond this I do not mean that the Settlement Officer should go.

IV.—Should settlements during currency be open to enhancement in consequence of the diminished value of the precious metals, or other causes?

23. Certainly not, I should say in the case of temporary settlements. A lease should take its fair chance on such points. I think all agricultural industry would be paralysed, and the value of land seriously affected, if the people were told that they had a settlement for 30 years; but in course of that term if the value of silver fell, or if roads, markets, or canals were constructed, their settlement would be re-considered. They would be hopelessly unable to understand us. Our drift would be incurably suspected. It would be of no avail to assure them, on the other hand, that all improvements made by themselves would be scrupulously left out of the account. They would, in answer, have it in their hearts to say to us that our word was no longer worth a straw. Government would, on the contrary, by complete fidelity to its contract, by simple passiveness, find a rich reward at the end of the stipulated term when, all improving

* Page 137 of his memorandum.

influences having been allowed free scope, the property would be in flourishing condition for revision; and the increase then demanded, being in conformity with all precedent, would be contentedly surrendered. Roads and railways are not made with the primary object of giving value to land, and their effect is different on different localities. They are really intended, among other important purposes, to cheapen the supply by finding a vent for the produce of lands removed from the main markets, and their natural tendency therefore is to lower existing rents. Their effect on any particular locality is best discerned after the lapse of some years, and there is thus the less reason, on their account, to anticipate the expiry of the settlement. As to canals introduced during the term of settlement, there is no alternative but that the State should be content with its water-rate until re-settlement. Then the whole accruing canal profits could be brought under assessment, but thereafter there could be no *intermediate* revision without creating distrust and causing discouragement; although, no doubt, the landlord *could* be made to yield up a portion of his gratuitous profits coming from increased canal irrigation, by applying the average rate of the "extraordinary" canal revenue noted at settlement to the additional irrigated area after every period of five years.

24. Neither do I think that on the theoretical ground of a fall in value of the precious metals should the whole virtue of a long-term temporary settlement be neutralized. Economists, I believe, are divided in opinion concerning the reality of this consideration in the present day. Mr. Fawcett certainly, in his speech on the Indian Budget in Parliament on the 2nd August forcibly alluded to the present operation of this cause* on prices; but it has also been asserted that, with the exception of the fall that took place in consequence of the discovery of America, the precious metals have been comparatively steady in their value.† It has been calculated that India is capable of yet absorbing silver to the extent of Rs. 40,00,000,000, or £400,000,000, for the purposes of currency alone, before it should show any signs of saturation with it.‡ Here the ground for alarm is the failure of the supply to meet the demand, rather than a depreciation in the value of gold and silver. To take a landmark, let us say that since the 1st November, 1858, the date on which Her Majesty the Queen became Empress of India, specie has undeniably poured into the country at an extraordinary rate, but this has been the result of the astonishing career of material progress on which India then entered, and her consequent expanded, and daily expanding, wealth. Increase in the quantity of the precious metals, arising from such a cause (though prices may *pari passu* increase also) has no tendency to diminish their value, which can only be the consequence of the increased abundance of the mines that supply them. The circumstance, I think, should be regarded as too problematical a one to influence us in making a temporary settlement, at the end whereof the State always has the opportunity of recouping itself at all points.

P.S.—I think, to make my meaning quite clear, I had better illustrate the views stated in paragraph 12.

Let us say that Jaloun is ripe for permanent settlement; that the revenue is carefully fixed at Rs. 10,00,000, that the general food of the population is ascertained to be

* "Of the £172, 500, 000 of specie which had been poured into India during the last eleven years, a considerable portion had, of course, been added to her circulation. That had naturally produced a rise in prices, and a similar effect had followed the increase of the paper currency consequent on its being made a legal tender. From the peculiar nature of Indian trade, it seems almost certain that the importation of specie would continue, and if so, the rise in price would also continue. That rise in price would be assisted by the general rise in prices now going on throughout the world, which was due to the depreciation of the precious metals—a fact now admitted by almost every economist and financier of eminence."

† Mr. J. R. McCulloch, 1863.

‡ "Estimating the amount of gold and silver circulating as coin in Great Britain at £80,000,000, and the population at 30,000,000, and estimating the currency of India in 1857 at an equal amount, and the population at 180,000,000, it requires but very little calculation to show that India is capable of yet absorbing silver to the extent of Rs. 40,00,000,000, or £400,000,000, in addition to this amount, for the purposes of currency alone. Nor must it be forgotten that India is able to support a population many millions more numerous than she at present possesses; nor, on the other hand, that England has many means of economising the use of coin which, in consequence of her immense extent of area, will be denied to India, if not for ever, for many years to come. If then it be admitted that there is even a shadow of truth in these estimates, it may not be unreasonable to conclude that there is a possibility—distant it may be yet, still a possibility—of the requirements of India for currency purposes approaching the enormous sum of £500,000,000 in silver coin."—*The Drain of Silver to the East*: by W. N. Lees, LLD., pages 44-45.

wheat in the proportion of one-fifth, gram one-fifth, and jowar and bajra three-fifths; and that the present average prices per rupee are wheat 22, gram 27, jowar 28, and bajra 26 seers.

		Rs.	Rs.	Maunds.
Then,	Wheat ($\frac{1}{5}$ of	10,00,000)	2,00,000	= 110,000
	Gram ($\frac{1}{5}$ of	10,00,000)	2,00,000	= 135,000
	Jowar ($\frac{3}{10}$ of	10,00,000)	3,00,000	= 210,000
	Bajra ($\frac{3}{10}$ of	10,00,000)	3,00,000	= 195,000

Our settlement therefore is on 650,000 maunds of grain, at an average of 26 seers per Rupee; or more correctly, on 110,000 maunds of wheat, 135,000 maunds of gram, 210,000 maunds of jowar, and 195,000 maunds of bajra.

The sum of ten lakhs of rupees as above is the present money expression of the settlement.

It will change or not as the average prices of those grains 20 years hence rise above or fall below the present average prices outside a margin either way of 12·5 per cent.

Say that 20 years hence the average prices are deduced at wheat 18, gram 22, jowar 25, and bajra 24 seers per rupee.

Then, value of	110,000	maunds	of wheat,	Rs.	2,44,444
Ditto of	135,000	„	of gram,	„	2,45,454
Ditto of	210,000	„	of jowar,	„	3,36,000
Ditto of	195,000	„	of bajra,	„	3,25,000
			Total value,		11,50,898

The constituted basis of the settlement have thus increased in value by Rs. 1,50,898, or about 15 per cent. (equivalent to about 7·5 per cent. on the assumed rental assets of settlement). And the whole of this increase will be taken, because it implies an increase at the same rate per cent. of Rs. 3,01,796 on the rental, which the Settlement Officer will see is secured to the landlord. But if, as I advocate, the quasi-proprietary tenants are to pay only as much more as is equivalent to the increased demand of revenue, their rental will be raised by 7·5 per cent. with something additional to requite the landlord for his trouble and risk of collection.

The increase would be operative for the next 20 years.

In striking the average, the prices of *quite extraordinary* seasons, good or bad, would be thrown out.

Stipulating for this scheme of a "permanent settlement in corn," that it be only conceded where full development has taken place in cultivation, in irrigation, in rents, in a word, where agriculture in every particular is well advanced, the agriculturists prosperous, and the landlord's rent in fair ratio to the gross produce. I almost think it defies successful assault. The scheme, however, was unsparingly condemned in the *Indian Economist* of September and October, 1870, and this was the citadel of its argument: "fifty years hence the annual expenditure of the Empire, at the rate at which it is now progressing, and must progress, will not be less than £100,000,000 a year. Now, if we fix the land revenue in perpetuity at its present amount of £20,000,000 *in corn*, we may perhaps find from a further rise in prices that the £20,000,000 have become £25,000,000 or £30,000,000; but there will still be the awful chasm of £70,000,000 to be bridged over in some way independent of the land revenue. Is it not plain, palpable madness in these circumstances to settle the land revenue in perpetuity in any shape whatever?" This perhaps is only another instance of the *Indian Economist's* professed policy of "aiming at the stars" with an object. But if literally meant, surely it is taking up a most astounding position to say that the land, which now can only pay twenty millions sterling, could, 50 years hence, pay one hundred millions if the settlement were left open.

Report by R. T. HOBART, ESQ., *Deputy Collector of Etah, No.* 315, *dated Etah, the* 28*th August,* 1872.

2. I am diffident in expressing myself on the subject of the Circular, as I have been able to devote so little of my time or thought to it, because of other work, and it is besides a matter much more cognate to the work of the able officers engaged in settlement, so that anything I could say would have but little weight naturally.

3. There are two heads set forth—permanent and temporary settlements—and these are again sub-divided into several heads. To take them as they stand :—

PERMANENT SETTLEMENT.

I.—Have rents risen to their full limits ?

I think certainly not. They are far below those for similar land in other districts, and are being enhanced daily

II.—Will prices rise or remain stationary

Prices will undoubtedly rise. The country is essentially an agricultural one, and the call on it from abroad for its produce must increase year by year, as foreign population and needs increase, and better means of conveyance are devised, unless artificially checked. Besides, the local population has increased about 12 per cent. in seven years. It was 614,351 in 1865, and is now 692,752, and will no doubt go on. The best land is taken up already ; the margin is not large. I see a prospect of prices rising indefinitely.

III.—Have rents risen proportionately with prices ?

It is hard to reply to this, but the statistics would seem to indicate that rents have not kept pace with prices, and there is a good deal of evidence to show this. It is admitted that tenants are far better off than ever they were before, that they live better, are better clad, have a larger collection of household jewellery, than ever they were wont to possess. It is a standing joke now among the better classes to say that the labourer has got as much jewellery as the farmer. This remark, of course, is not founded on statistics, but it seems to be the result of observation ; and if we compare what one sees now with the description of the abject poverty of the people 30 or 40 years ago, and if those descriptions are right, the conclusion is inevitable that the profits of the rent-payers are large. To look at the statistics :—Between 1840 and 1850

Wheat sold @ 39 seers per rupee,	it now sells @ 20 seers 4 chittacks per rupee.
Barley sold @ 1 maund 13 seers	it now sells @ 29 seers ,,
Gram sold @ 40 seers	it now sells @ 23 seers and less.

While the average rent-rate for land was in the same decade in the villages—

I have selected,	In Etah,		2 11	8
	In Kasgunge,		2 4	11
and is now,	In Etah,	...	2 15	2
	In Kasgunge,	...	2 8	2

despite the fact that the outlying and inferior soil has since been cultivated, and is taken into account.

The same difference is perceptible everywhere, whether the average acreage rate for a pergunnah or for the whole district is taken for any past period and compared with the present, and the prices of that period compared with those now obtaining.

I take the liberty to enter a few illustrations :—

Name of Tehseel.	Year.	Selling price of wheat per rupee.	Selling price of gram per rupee.	Selling price of barley per rupee.	Remarks.
Tehseel Etah, ...	1841 to 1850,	0 39 8	0 39 6	1 12 8	This statement is compiled for Kasgunge from the books of Purus Ram, Khem Chund, Mumpool, and Heeralall.
	1851 to 1860,	0 30 11	1 8 4	1 9 14	For Etah from the books of Sooruj Buksh of Kasoun, Ungunlall of Etah, Lala Ram of Chumkurie, Dhooree Mull of Surawall.
	1861 to 1870,	0 22 10	0 22 12	0 30 12	
Tehseel Kasgunge, ...	1842 to 1850,	0 38 0	1 2 8	1 13 8	
	1851 to 1860,	0 35 4	1 0 0	1 12 4	The full accounts will be found in the Appendix.
	1861 to 1870,	0 20 4	0 24 12	0 28 0	

And I would here observe that as far as my powers go, I have taken the utmost pains to obtain correct price lists; it is a work of the greatest difficulty, as buneeahs are so suspicious. The price lists I have procured have been obtained from old established firms in Kasgunge, Etah, and elsewhere, and the Rajah of Etah has been very useful too in giving data. Rents, again, have been selected, not from an average pergunnah rate, which is for many reasons deceptive, and, except for Marehra, cannot be obtained, but from a few selected villages in each pergunnah. I got out a set of villages in each pergunnah representative of each class of soil, and selected those whose papers were intact, and have pursued my inquiry through the three decades in respect of those villages alone. I think that this is a fair test. It will be seen from the table that rents have risen very slightly, only between 7 and 10 per cent., in 30 years, while wheat has risen nearly 100 per cent.

4. My conclusion, therefore, is, that rents must and ought to rise, unless by legislation there is an artificial check placed on this natural rise, which must come about soon.

IV.—Is population up to the ordinary standard?

The population of the district is 692,752, and the area is 1,511 square miles, which gives 458 to the square mile. This gives an average greater in density of population than Bijnour at the time of last census, and smaller than any of the Benares Division districts. At the present rate of progress, the population would double itself in about 58 years, and I see nothing to check this rapid onward rate except famine, or pestilence, or war. The present average produce of the district edible by man I calculated at 9,674,655 maunds in my letter No. 46, dated 23rd August, 1872, to the Board of Revenue. This itself, even supposing that no improved means of agriculture were introduced, and that irrigation stood still, would sustain 517,829 more souls than at present. I think that population will go on increasing enormously.

V.—What is the margin of cultivable land?

Cultivated Acres.	*Culturable not cultivated.*	
	Lately abandoned.	Old waste.
612,966	23,723	133,875

VI.—What are the prospects of improved means of communication and irrigation?

The district will soon possess a new branch of the Ganges Canal, which will run through its entire centre, where bhoor land principally prevails, and which will render this land immensely more valuable than before, for wells are, as a rule, hardly worth the making in it. The rise in rent ought to be very large, indeed, in the whole body of country lying between the Kalindree and the Boorgunga, or, in other words, in

about three-fifths of the entire district. In the appended tables will be found a few of the statistics from which I have drawn my conclusions. The rents are taken from the jummabundees, and these jummabundees have all been selected for the same set of villages, so that the element of uncertainty connected with the higher or lower rate of rent for better or inferior soils might be eliminated as far as possible. The tables showing the comparative value of land as indicated by price realized at auction sale, I do not regard as a good test. I have given them, but there are so many circumstances connected with the sale of land, that the price realized is not a good index to value, not to speak of collusion. In this district in former times some estates worth thousands, and in more than one case, tens of thousands of rupees, were bought by the Gardiner family among others for a mere song, a few hundred rupees. Again, one estate may be heavily encumbered, and another be sold without a mortgage on it. Some land sold may belong to a lot of unruly Thakoors, and other land may be easily managed. In fine, there are innumerable circumstances which prevent the auction sale book from being a true test of the value of land.

5. Again, as to private sale, the information one can gather is, at the best, but untrustworthy. If the land be in a pre-emption right village, the alleged price will be enhanced, and so on. In the tables I have given I attach importance to two only:—

(I). The table of prices of produce which have been sifted out in every way in my power, and (II), the acreage rates for the special representative villages which I have selected out of each pergunnah. The result of the above leads me to think that prices will range higher and higher, and that rents are rising, but have not kept pace with the rise in the prices of produce. The tables showing the price of land realized at sale public and private, and of the sums at which mortgage was effected, show a steady rise in the value of land, though those tables are of little value. They show a clear average rise in the three decades.

	1841—50.	1851—60.	1861—70.
Price per acre realized at sale.	Rs. a. p. 1 10 6	Rs. a. p. 6 8 11	Rs. a. p. 8 7 7

The average rent acreage rate in the selected villages has risen:—

	1841—50.	1851—60.	1861—70.
	Rs. a. p.	Rs. a. p.	Rs. a. p.
Etah, ...	2 11 8	2 13 6	2 15 2
Kasgunge, ...	2 4 11	2 6 0¾	2 8 2

The average price of produce has risen:—

	1841—50.	1851—60.	1861—70.
	Seers.	Seers Ch.	Seers.
Etah and Kasgunge, ...	39	32 10	21

There is nothing that I know of to stop this progress, as even after the cultivable land has all been brought under the plough, there is no reason to suppose that the demand both from within and from without will not go on increasing. And now as to the expediency of a permanent settlement. I think that there can be no question as to its expediency if it could be arranged without loss of income to Government, consequent on increased prices or production. Such a measure would save all the cost and loss of time and annoyance, and public loss in the reduction of cultivated area involved in measurements and re-assessments of land.

6. My own theory is this, I give it for what it is worth, and I believe it is anything but original:—I would apply a modified permanent assessment to all villages whose cultivation had reached its full limits or nearly so (allowing the old proposed limit of 20 per cent. culturable waste). With regard to the rest of the land, we have all the information we can ever procure. The careful and elaborate statistics of settlement give

as the exact amount of land capable of being manured from village sources, the exact amount of the different kinds of natural soils, the exact amount of existing irrigation. Having got these data, we ought to get from the Settlement Officer the average produce of an acre of each of the above kinds of soil, and the average outturn of each village in an average year. If a moderate time were expended on this work, if cutting and weighing were carried out in the presence of a trustworthy officer for a few years, we would have the surest grounds that we could possess for the assessment of land revenue. I believe that many Settlement Officers have cut and weighed crops, and that there is an order in the Board's Office directing men to do so. If, then, this could be done for a few years, and a fair average standard of outturn arrived at for each kind of the ordinary grown staples, it would only remain for Government to ask for a certain amount of produce reduced to the money value of the day. I would not alter this rate, whatever rise there might be in the market for 10 years. At the end of every 10 years there should be a new appraisement, calculated on the average market rate of the past three years, unless those years had been abnormal. I would take the various crops standing at the time as my first measure of the capabilities of the soil for the production of specific crops for the 10 years, whatever change might take place in the interim.

Wheat, barley, miscellaneous crops.
Jowar, bajra, miscellaneous crops.

7. I would let future irrigation go untaxed, and allow the proprietor or tenant to benefit by his outlay, or if that were thought too disadvantageous to the general taxpayer, I would charge a certain rating per well, taking a portion of the difference between the cost of outlay and work, and income from increased production; and I would charge for canal water a fixed rating, which would cover the Government share in the increased productiveness of the soil. In this programme I see no difficulty, though I have no doubt there are innumerable difficulties, but the plan seems a feasible one. It would save labour, time, valuable services, money to Government; it would bring relief from anxiety, discontent, loss of time, loss of money to the people.

8. As to temporary settlements, I propose to say little, for I have already gone much farther than I had any intention of going.

(1) I think the present standard of 50 per cent. a good one, but I think the Settlement Officer should be left to exercise his own discretion.

(2) In enhancement cases I do not think that sufficient stress is laid on Clause 2, Section 17 of the Act. It is so hard to say when a tenant's rent was fixed, and so hard to fix a time from which to calculate enhanced value of produce. If a sort of standard were set up for occupancy tenants, and if their profits were limited to a certain amount of the produce like those of the landlord (calculated, if necessary, in the current market value) as in my proposed scheme, and their rent could be enhanced and reduced thereto, it would be a plainer and simpler rule than that which obtains at present.

(3) The third question is one which I can hardly venture to reply to. I do not think that any man can possibly foresee to what height prices will rise during the term of settlement. The system pursued at present appears to be the best that could possibly be adopted.

In respect of point 4, I think that in a temporary settlement of 30 years' duration, I would not leave the assessments open to enhancement on any ground.

9. In conclusion, I beg to apologize for seeming dilatoriness in sending in this report, but my other work kept me much engaged, and my materials were not satisfactory. Now that my materials are collected, I have been obliged to write out any few ideas I have got as hurriedly as possible. The statistics on the value of land, as ascertained by sale or private transfer, will follow in a few days.

No. 1.

Statement showing Price Current of Tehseel Etah, according to the papers of Sooruj Buksh Beohra of Kasoun, Ungunlall of Etah, Lala Ram of Chumkurie, and Dhooree Mull of Surawul, excerpted from the papers in the accompanging Appendix.

Years.	Average rate of wheat of each year per rupee.			Average rate of gram of each year per rupee.			Average rate of barley of each year per rupee.			Average of total average rates.			Remarks.
	Mds.	s.	c.	Mds.	s.	c.	Mds.	s.	c.	Mds.	s.	c.	
From 1841 to 1850, ...	0	39	8	0	39	6	1	12	8	1	3	13	
From 1851 to 1860, ...	0	30	11	1	8	4	1	9	14	1	2	15	
From 1861 to 1870, ...	0	22	10	0	22	12	0	30	12	0	25	6	

ETAH, DEPUTY COLLECTOR'S OFFICE:
The 28th August, 1872.

R. HOBART,
Deputy Collector.

No. 2.

Statement showing Price Current of the Town of Kasgunge, according to the papers of Purus Ram, Khem Chund, Mumphool, and Heeralall, Bankers of Kasgunge, excerpted from the papers in the accompanying Appendix.

Years.	Average rate of wheat per rupee of each year.			Average rate of gram per rupee of each year.			Average rate of barley per rupee of each year.			Average of total average rates.			Remarks.
	Mds.	s.	c.	Mds.	s.	c.	Mds.	s.	c.	Mds.	s.	c.	
From 1842 to 1850, ...	0	38	0	1	2	8	1	13	8	1	5	0	
From 1851 to 1860, ...	0	35	4	1	0	0	1	12	4	1	2	8	
From 1861 to 1870, ...	0	20	4	0	24	12	0	28	0	0	24	4	

ETAH DEPUTY COLLECTOR'S OFFICE:
The 28th August, 1872.

R. HOBART,
Deputy Collector.

No. 3.

Statement showing the average Price Current of Tehseel Etah from the year 1841 *to* 1870, *according to the papers of Sooruj Buksh Beohra of Kasoun, Ungunlall of Etah, Lala Ram of Chumkurie, and Dhooree Mull of Surawul, at* 80 *tolas per seer.*

Years.	WHEAT.						BARLEY.						GRAM.						TOTAL.					
	Rate at which purchased.		Rate at which sold.		Total of average rate at which purchased and sold.		Rate at which purchased.		Rate at which sold.		Total of average rate at which purchased and sold.		Rate at which purchased.		Rate at which sold.		Total of average rate at which purchased and sold.		Total average rate at which purchased.		Total average rate at which sold.		Grand Total of average rate at which purchased and sold.	
	Average rate of each year during the 10 years.	Average rate per rupee.	Average rate of each year during the 10 years.	Average rate per rupee.	Average rate of each year during the 10 years.	Average rate per rupee.	Average rate of each year during the 10 years.	Average rate per rupee.	Average rate of each year during the 10 years.	Average rate per rupee.	Average rate of each year during the 10 years.	Average rate per rupee.	Average rate of each year during the 10 years.	Average rate per rupee.	Average rate of each year during the 10 years.	Average rate per rupee.	Average rate of each year during the 10 years.	Average rate per rupee.	Total average rate of each year during the 10 years.	Total average rate per rupee.	Total average rate of each year during the 10 years.	Total average rate per rupee.	Grand total average rate of each year during the 10 years.	Grand total average rate per rupee.
	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.
From 1841 to 1850,	7 11 11	1 1 10	6 21 12	0 37 6	1 39 1	0 39 8	10 15 14	1 19 6	7 39 13	1 5 11	2 25 1	1 12 8	2 15 11	1 2 14	2 3 9	0 35 14	1 19 12	0 39 6	3 12 15	1 8 0	2 30 15	0 39 11	2 1 5	1 3 13
From 1851 to 1860,	7 8 2	0 36 0	4 18 1	0 25 7	1 21 7	0 30 11	9 37 4	1 16 12	7 21 7	1 3 1	2 19 13	1 9 14	2 27 0	1 13 8	2 6 0	1 3 0	2 16 8	1 8 4	3 26 4	1 8 12	2 31 8	0 37 2	2 5 14	1 2 15
From 1861 to 1870,	5 34 15	0 26 2	4 12 14	0 19 3	1 5 5	0 22 10	8 1 10	0 35 12	5 31 14	0 25 12	1 21 8	0 30 12	4 0 12	0 26 13	2 32 6	0 18 12	1 5 9	0 22 12	2 8 11	0 29 9	1 23 11	0 21 4	1 10 9	0 25 6
Do. by the prices current of Tehseelee for 10 years past, ...	0 0 0	0 0 0	5 6 14	0 20 11	0 0 0	0 20 11	0 0 0	0 0 0	6 30 10	0 27 1	0 0 0	0 27 1	0 0 0	0 0 0	5 31 14	0 23 7	0 0 0	0 23 7	0 0 0	0 0 0	1 31 3	0 23 6	0 0 0	0 23 6

ETAH, DEPUTY COLLECTOR'S OFFICE:
The 28th August, 1872.

R. HOBART,
Deputy Collector.

No. 4.

Statement showing the average Price Current of the Town of Kasgunge, from the year 1842 to 1870, according to the papers of Purus Ram, Khem Chund, Munphool, and Heera-lall, Bankers, at 80 tolas per seer.

Year.	WHEAT.																																			
	Purchased.						*Sold.*																		*Total of purchased and sold.*											
	May.		June.		Total.		Average.		January.		February.		March.		April.		July.		August.		September.		October.		November.		December.		Total.		Average.		Total of wheat.		Average	
	M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.			
1842, ...	0	36 0	0	36 8	1	32 8	0	36 4	...		...		...		...		...		0	31 0	0	26 0	...		0	28 0	0	26 8	2	31 8	0	27 12	4	24 0	0	31 0
1843, ...	0	39 0	0	38 8	1	37 8	0	38 12	0	35 0	0	36 4	0	36 0	0	36 0	...		0	33 0	0	33 12	0	33 12	0	33 12	...		6	37 8	0	34 8	8	35 0	0	36 8
1844, ...	...		1	3 0	1	3 0	1	3 0	...		0	35 0	...		...		0	37 12	...		1	0 0	...		0	35 0	...		3	27 12	0	37 0	4	30 12	0	38 0
1845, ...	1	1 12	...		1	1 12	1	1 12	...		0	35 0	...		...		0	35 0	0	36 12	0	37 8	...		0	37 8	...		4	21 12	0	36 4	5	23 8	0	37 0
1846, ...	...		0	39 8	0	39 8	0	39 8	0	30 8	0	35 0	0	37 0	...		0	35 0	0	37 8	0	37 8	...		0	35 8	...		6	8 0	0	35 8	7	7 8	0	36 0
1847, ...	...		1	0 0	1	0 0	1	0 0	0	34 8	0	34 0	...		...		0	26 8	...		...		0	38 4	0	37 4	0	39 8	5	10 0	0	35 0	6	10 0	0	36 0
1848, ...	1	2 8	1	1 8	2	4 0	1	2 0	...		...		...		...		0	34 12	0	34 8	0	35 0	0	31 0	0	30 0	...		4	5 4	0	33 0	6	9 4	0	35 8
1849, ...	1	15 8	1	10 0	2	25 8	1	12 12	...		0	30 0	0	36 0	...		...		1	3 0	0	39 0	1	5 0	...		...		4	33 0	0	38 8	7	18 8	1	2 8
1850, ...	1	15 0	1	13 8	2	28 8	1	14 4	...		...		...		...		1	3 12	...		1	5 0	1	5 12	1	5 0	1	11 0	5	30 8	1	6 0	8	19 4	1	8 8
Total, ...	6	29 12	8	22 8	15	12 4	1	3 0	2	20 0	5	5 4	2	29 0	0	36 0	5	12 12	5	15 12	7	13 12	3	33 12	7	2 0	2	37 0	44	5 4	0	36 0	...		0	38 0
1851, ...	1	10 0	1	21 4	2	31 4	1	15 8	1	10 4	1	7 8	1	15 0	0	36 0	...		...		1	17 8	1	10 0	1	5 0	...		8	21 4	1	9 0	11	12 8	1	10 0
1852, ...	0	5 0	...		0	35 0	0	35 0	1	6 0	...		...		...		0	35 0	0	30 0	...		0	28 0	...		0	28 8	4	7 8	0	33 0	5	2 8	0	33 8
1853, ...	0	3 4	0	36 4	1	32 8	0	36 4	...		...		0	27 8	0	29 8	0	35 0	0	32 0	0	31 8	0	26 4	0	27 8	0	29 8	5	38 12	0	30 0	7	31 4	0	31 0
1854, ...	0	35 8	0	34 8	1	30 0	0	35 0	0	29 8	0	30 8	0	31 0	1	2 8	0	35 0	...		0	33 0	0	30 0	0	32 8	1	3 0	7	27 0	0	34 0	9	17 0	0	34 4
1855, ...	...		1	12 8	1	12 8	1	12 8	...		1	5 0	1	5 0	...		1	5 0	...		...		...		1	7 8	1	9 0	5	31 8	1	6 0	7	4 0	1	7 4
1856, ...	1	3 12	1	5 8	2	9 4	1	4 12	1	10 0	1	7 8	1	3 12	1	4 0	1	2 8	1	7 12	1	3 0	0	38 0	0	35 4	0	33 4	10	25 0	1	2 8	12	34 4	1	2 12
1857, ...	...		0	34 12	0	34 12	0	34 12	...		0	30 0	0	29 4	0	30 0	0	39 0	...		0	33 0	0	35 0	..		1	0 0	5	36 4	0	33 0	6	30 12	0	34 0
1858, ...	0	35 0	1	0 4	1	35 4	0	37 8	...		...		...		0	30 4	0	34 0	...		0	33 0	0	33 0	...		...		3	10 4	0	32 8	5	5 8	0	34 0
1859, ...	0	37 8	0	37 0	1	34 8	0	37 4	...		0	30 0	0	31 0	0	30 0	...		...		...		0	27 8	0	28 8	0	23 8	4	10 8	0	28 8	6	5 0	0	31 0
1860, ...	...		0	25 0	0	25 0	0	25 0	0	26 0	...		0	20	...		...		0	14 0	0	18 0	0	10 12	...		...		2	8 12	0	17 12	2	33 12	0	19 0
Total, ...	6	33 0	9	7 0	16	0 0	0	39 0	5	1 12	5	30 8	7	2 8	6	2 4	6	25 8	3	3 12	6	9 0	6	38 8	5	16 4	6	6 12	58	16 12	0	34 8	...		0	35 4
1861, ...	0	17 0	...		0	17 0	0	17 0	...		0	18 0	...		0	17 8	...		0	15 0	...		...		0	17 0	...		1	27 8	0	17 0	2	4 8	0	17 0
1862, ...	0	39 0	...		0	39 0	0	39 0	...		...		...		...		...		0	35 0	...		...		0	32 0	...		1	27 0	0	33 0	2	26 0	0	36 0
1863, ...	0	39 0	...		0	39 0	0	39 0	...		...		...		...		...		0	34 0	0	32 0	0	22 12	...		...		2	8 12	0	29 0	3	7 12	0	34 0
1864, ...	0	20 0	...		0	20 0	0	20 0	...		...		...		0	15 0	0	17 0	...		0	16 0	...		0	16 0	...		1	24 0	0	16 0	2	4 0	0	18 0
1865, ...	...		0	24 0	0	24 0	0	24 0	...		...		...		...		...		...		...		...		...		...		...		...		0	24 0	0	24 0
1866, ...	0	20 0	...		0	20 0	0	20 0	...		...		...		...		...		0	17 8	0	15 0	...		0	16 0	...		1	8 8	0	16 0	1	28 8	0	18 0
1867, ...	0	21 0	...		0	21 0	0	21 0	0	25 0	0	23 0	0	25 0	...		...		...		0	22 0	...		0	22 0	...		2	37 0	0	24 0	3	18 0	0	23 0
1868, ...	0	25 0	...		0	25 0	0	25 0	...		0	14 0	0	13 8	...		...		...		...		0	16 0	...		0	15 0	1	18 8	0	15 0	2	17 8	0	20 0
1869, ...	0	14 4	0	12 0	0	26 4	0	13 0	...		...		0	9 0	...		...		...		...		0	12 8	...		...		0	21 8	0	11 0	1	7 4	0	12 0
1870, ...	0	20 0	...		0	20 0	0	20 0	0	25 0	...		0	31 0	...		...		...		...		...		...		...		1	16 0	0	28 0	1	36 0	0	24 0
Total, ...	5	15 4	0	36 0	6	11 4	0	22 0	1	10 0	1	15 0	1	38 8	0	12 8	0	17 0	2	21 8	2	5 0	1	11 4	2	23 0	0	15 0	14	28 12	0	21 0	...		0	20 4

No. 4.—(continued.)

Statement showing the average Price Current of the Town of Kasgunge, from the year 1842 to 1870, according to the papers of Purus Ram, Khem Chund, Munphool, and Heeralall, Bankers, at 80 tolas per seer.

GRAM.

Year.	Purchased.				Sold.														Total of purchased and sold.	
	May.	June.	Total.	Average.	January.	February.	March.	April.	July.	August.	September.	October.	November.	December.	Total.	Average.	Total of gram.	Average.		
	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.		
1842, ...	1 0 0	1 0 0	2 0 0	1 0 0	...	...	...	...	...	0 32 8	...	...	0 26 0	...	1 18 8	0 29 4	3 18 8	0 34 8		
1843, ...	1 0 0	...	1 0 0	1 0 0	...	...	...	...	...	...	...	...	...	...	...	...	1 0 0	1 0 0		
1844, ...	...	1 2 8	1 2 8	1 2 8	...	...	...	...	...	...	0 33 0	...	...	...	0 33 0	0 33 0	1 35 8	0 37 8		
1845, ...	1 1 12	...	1 1 12	1 1 12	...	...	...	...	...	...	...	...	...	...	...	...	1 1 12	1 1 12		
1846, ...	...	1 9 0	1 9 0	1 9 0	...	...	...	...	...	...	1 0 0	...	0 38 12	...	1 38 12	0 39 0	3 7 12	1 2 8		
1847, ...	1 7 8	...	1 7 8	1 7 8	1 0 0	1 0 0	...	...	...	...	...	1 1 0	1 0 0	...	4 1 0	1 0 4	5 8 8	1 1 8		
1848, ...	1 8 12	...	1 8 12	1 8 12	...	...	...	...	...	...	...	...	0 30 0	...	0 30 0	0 30 0	1 38 12	0 39 8		
1849, ...	...	1 12 8	1 12 8	1 12 8	...	...	...	...	...	...	...	...	1 3 0	...	1 3 0	1 3 0	2 15 8	1 7 8		
1850, ...	1 22 0	1 20 0	3 2 0	1 21 0	...	...	...	...	...	...	...	1 22 0	1 10 0	...	2 32 0	1 16 0	5 34 0	1 18 8		
Total, ...	7 0 0	6 4 0	13 4 0	1 7 0	1 0 0	1 0 0	...	...	...	0 32 8	1 33 0	2 23 0	5 27 12	...	12 36 4	0 38 8	...	1 2 8		
1851, ...	2 0 0	...	2 0 0	2 0 0	...	...	...	...	...	...	...	...	...	...	...	...	2 0 0	2 0 0		
1852, ...	...	...	...	...	1 12 0	...	...	...	1 2 8	...	0 30 0	0 30 0	...	...	3 34 8	0 38 8	3 34 8	0 39 0		
1853, ...	...	...	...	...	...	...	...	...	...	...	...	...	0 23 0	...	0 23 0	0 23 0	0 23 0	0 23 0		
1854, ...	...	...	...	...	0 29 0	...	...	...	0 28 8	...	...	...	0 30 0	...	2 7 8	0 27 4	2 7 8	0 29 8		
1855, ...	...	...	...	...	...	...	...	...	1 0 0	...	...	...	1 2 0	...	2 2 0	1 1 0	2 2 0	1 1 0		
1856, ...	1 5 8	1 5 8	1 5 8	1 5 8	...	...	...	...	...	...	...	...	0 31 4	...	0 31 4	0 31 4	1 36 12	0 38 8		
1857, ...	1 0 0	1 0 0	1 0 0	1 0 0	...	...	...	...	1 5 0	1 5 0	...	...	...	...	2 10 0	1 5 0	3 5 0	1 6 8		
1858, ...	1 10 0	1 10 0	1 10 0	1 5 0	...	...	...	1 0 0	1 2 8	1 0 8	...	...	...	...	3 3 0	1 1 0	5 13 0	1 2 8		
1859, ...	1 10 0	1 10 0	1 10 0	1 10 0	...	...	1 10 0	...	...	...	...	...	...	0 30 0	2 0 0	1 0 0	3 10 0	1 3 0		
1860, ...	0 18 0	0 18 0	0 18 0	0 18 0	...	0 28 0	...	...	...	...	...	...	0 11 0	...	0 39 0	0 19 8	1 17 0	0 19 0		
Total, ...	2 0 0	5 3 8	7 3 8	1 7 4	2 1 0	0 28 0	1 10 0	1 0 0	4 38 8	2 5 8	0 30 0	0 30 0	3 17 4	0 30 0	17 30 4	0 34 0	...	1 0 0		
1861, ...	0 18 0	...	0 18 0	0 18 0	...	...	...	...	...	...	...	...	...	...	...	...	0 18 0	0 18 0		
1862, ...	...	1 0 0	1 0 0	1 0 0	...	...	...	...	...	...	...	...	...	...	...	...	1 0 0	1 0 0		
1863, ...	0 38 0	...	0 38 0	0 38 0	...	...	...	...	...	...	...	...	...	...	...	...	0 38 0	0 38 0		
1864, ...	...	0 20 0	0 20 0	0 20 0	...	...	...	...	...	...	...	...	...	...	...	...	0 20 0	0 20 0		
1865, ...	0 24 0	...	0 24 0	0 24 0	...	...	...	...	...	...	...	...	...	...	...	...	0 24 0	0 24 0		
1866, ...	...	...	...	...	...	...	...	...	...	...	0 19 0	...	...	0 21 0	1 0 0	0 20 0	1 0 0	0 20 0		
1867, ...	0 26 0	...	0 26 0	0 26 0	...	...	0 25 0	...	...	...	0 25 0	...	0 25 0	...	1 35 0	0 25 0	2 21 0	0 26 0		
1868, ...	0 30 0	...	0 30 0	0 30 0	...	0 14 0	...	...	...	...	...	...	...	...	0 14 0	0 14 0	1 4 0	0 22 0		
1869, ...	...	0 13 0	0 13 0	0 13 0	...	...	...	...	...	...	...	...	...	...	...	...	0 13 0	0 13 0		
1870, ...	0 27 0	...	0 27 0	0 27 0	...	...	...	...	...	...	...	...	...	...	...	...	0 27 0	0 27 0		
Total, ...	4 3 0	1 33 0	5 36 0	0 26 0	...	0 14 0	0 25 0	...	...	...	1 4 0	...	0 25 0	0 21 0	3 9 0	0 20 0	...	0 24 12		

No. 4.

Statement showing the average Price Current of the Town of Kasgunge, from the year 1842 *to* 1870, *according to the papers of Purus Ram, Khem Chund, Munphool, and Heeralall, Bankers, at* 80 *tolas per seer.*—concluded.)

BARLEY.

Year.	Purchased.												Sold.														Total of purchased and sold.		Total average of gram, wheat, and barley.		Average of total average of gram, wheat, and barley.									
	May.		June.		Total.		Average.		January.		February.		March.		April.		July.		August.		September.		October.		November.		December.		Total.		Average.		Total of barley.		Average.					
	M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.		M. s. c.					
1842, ...	1 10 0		1 10 0		2 20 0		1 10 0		...		...		...		...		1 6 0		0 38 0		0 37 0		...		0 35 0		0 36 0		4 32 4		0 38 8		7 12 4		1 2 0		...		...	
1843, ...	1 17 0		...		1 17 0		1 17 0		1 0 0		...		...		...		1 5 0		...		1 3 8		...		1 8 0		...		4 16 8		1 4 0		5 33 8		1 6 0		...		...	
1844, ...	...		1 27 8		1 27 8		1 27 8		0 39 0		...		1 12 8		...		...		...		...		1 10 0		...		3 21 8		1 7 0		5 9 8		1 12 4		...		...			
1845, ...	1 25 0		...		1 25 0		1 25 0		...		...		...		...		1 10 0		1 12 0		1 7 8		...		1 5 0		...		4 34 8		1 8 8		6 19 8		1 12 0		...		...	
1846, ...	...		1 17 8		1 17 8		1 17 8		1 22 0		...		1 15 0		...		1 6 4		1 7 8		1 0 0		...		1 6 12		...		7 7 8		1 8 0		8 35 0		1 11 0		...		...	
1847, ...	...		1 17 8		1 17 8		1 17 8		1 2 8		...		...		...		1 8 0		...		...		1 5 0		1 17 8		...		4 33 0		1 8 0		6 10 8		1 10 0		...		...	
1848, ...	1 12 8		1 22 8		2 35 0		1 17 8		...		...		...		...		...		1 15 0		...		...		1 10 0		...		2 25 0		1 12 8		5 30 0		1 17 8		...		...	
1849, ...	...		1 33 0		1 33 0		1 33 0		...		1 12 8		1 12 8		...		...		1 20 0		1 20 0		1 15 0		1 32 0		...		8 32 0		1 18 8		10 25 0		1 21 0		...		...	
1850, ...	2 7 0		2 4 4		4 11 4		2 5 8		...		2 0 0		...		...		1 37 8		...		1 33 12		2 0 0		2 3 0		...		9 34 4		1 39 0		14 5 8		2 1 0		...		...	
Total, ...	7 31 8		11 12 4		19 3 12		1 23 0		4 13 8		3 12 8		4 0 0		...		7 33 0		6 12 8		7 21 12		4 20 0		12 7 4		0 36 0		50 36 8		1 11 8		...		1 13 8		3 14 0		1 5 0	
1851, ...	3 0 0		3 0 0		6 0 0		3 0 0		...		...		2 0 0		1 7 8		...		...		3 0 0		...		2 10 0		...		8 17 8		2 7 0		14 17 8		2 16 0		...		...	
1852, ...	1 5 0		...		1 5 0		1 5 0		...		2 0 0		...		...		1 0 0		0 35 0		0 35 0		0 30 0		...		...		5 20 0		1 4 0		6 25 0		1 4 0		...		...	
1853, ...	1 2 8		1 13 12		2 16 4		1 8 0		...		...		...		...		1 0 0		1 2 8		0 37 8		0 29 8		0 31 0		...		4 20 8		0 36 4		6 36 12		0 39 8		...		...	
1854, ...	1 6 4		1 5 12		2 12 0		1 6 0		...		...		...		...		1 5 0		...		...		...		1 5 0		...		2 10 0		1 5 0		4 22 0		1 5 8		...		...	
1855, ...	...		2 7 8		2 7 8		2 7 8		...		1 30 0		1 20 0		...		1 37 8		...		...		2 0 0		1 35 0		...		9 2 8		1 32 8		11 10 0		1 35 0		...		...	
1856, ...	1 20 0		1 26 0		3 6 0		1 23 0		...		1 30 0		1 32 0		...		1 25 0		1 15 0		1 12 8		...		1 2 8		...		8 37 0		1 11 0		12 3 0		1 20 0		...		...	
1857, ...	...		1 5 0		1 5 0		1 5 0		...		1 1 4		1 4 0		...		1 12 0		1 1 0		1 3 0		...		...		1 20 0		7 1 4		1 7 0		8 6 4		1 6 8		...		...	
1858, ...	1 3 12		1 20 0		2 23 12		1 12 0		...		...		...		1 20 0		1 5 8		1 17 8		1 3 0		...		1 5 0		...		6 11 0		1 10 0		8 34 12		1 11 0		...		...	
1859, ...	...		1 12 0		1 12 0		1 12 0		...		1 8 0		1 20 0		1 5 0		...		1 0 0		...		0 35 0		0 32 4		0 25 0		7 5 4		1 0 12		8 17 4		1 2 0		...		...	
1860, ...	1 15 0		0 30 0		2 5 0		1 2 8		0 25 0		0 26 0		...		0 28 0		...		0 18 0		0 18 0		0 13 0		0 11 12		0 11 0		3 30 12		0 19 0		5 35 12		0 23 8		...		...	
Total, ...	10 12 8		14 0 0		24 12 8		1 8 8		0 25 0		8 15 4		7 36 0		4 20		9 5 0		7 9 0		8 29 0		4 27 8		9 22 8		2 16 0		63 5 12		1 9 4		...		1 12 4		3 7 8		1 2 8	
1861, ...	0 22 0		0 17 0		0 39 0		0 20 0		...		0 16 0		...		...		...		0 17 0		...		...		0 26 8		...		1 19 8		0 20 0		2 18 8		0 20 0		...		...	
1862, ...	1 11 8		...		1 11 8		1 11 8		...		0 35 0		...		...		...		1 10 0		...		...		1 7 8		...		3 12 8		1 4 0		4 23 8		1 7 0		...		...	
1863, ...	1 10 0		...		1 10 0		1 10 0		...		...		...		...		...		1 5 0		1 0 0		0 26 0		...		...		2 31 0		0 37 0		4 1 0		1 3 0		...		...	
1864, ...	0 29 0		0 22 0		1 11 0		0 25 0		0 19 0		0 18 0		...		...		...		0 19 0		0 25 0		...		0 20 0		...		2 21 0		0 20 0		3 32 0		0 22 0		...		...	
1865, ...	0 28 0		...		0 28 0		0 28 0		...		...		...		...		...		...		...		...		...		...		...		...		0 28 0		0 28 0		...		...	
1866, ...	0 33 0		0 20 0		1 13 0		0 26 0		...		...		...		...		...		...		...		...		0 19 0		...		0 19 0		0 19 0		1 32 0		0 26 0		...		...	
1867, ...	0 28 0		...		0 28 0		0 28 0		0 37 8		0 39 0		1 0 0		...		...		...		0 25 0		...		0 32 8		...		4 7 8		0 33 0		4 35 8		0 30 0		...		...	
1868, ...	1 2 8		0 19 0		1 21 8		0 30 0		...		0 17 0		0 16 0		0 15 0		...		...		...		...		0 14 0		...		2 18 8		0 19 0		4 0 0		0 24 0		...		...	
1869, ...	0 17 0		...		0 17 0		0 17 0		...		...		...		...		...		...		...		...		...		...		0 14 0		0 14 0		0 31 0		0 15 0		...		...	
1870, ...	0 30 0		...		0 30 0		0 30 0		0 32 8		...		0 30 0		...		...		...		...		...		...		...		1 22 0		0 31 0		2 12 0		0 30 0		...		...	
Total, ...	8 11 0		1 33 0		10 9 0		0 30 8		2 9 0		3 5 0		2 6 0		0 15 0		...		3 11 0		2 10 0		1 32 0		3 19 0		0 18 0		19 5 0		0 26 4		...		0 28 0		1 33 0		0 24 4	

ETAH DEPUTY COLLECTOR'S OFFICE:
The 28th August, 1872.

R. HOBART,
Deputy Collector.

No. 5.

Statement showing the Average Rent Acreage Rate in the selected Villages of Tehseel Etah, Zillah Etah, from 1841 *to* 1870.

Pergunnah.	Number of villages.	1841 to 1850.			1851 to 1860.			1861 to 1870.			Remarks.
		Average of cultivation in acres.	Average of rent-roll.	Rate per acre.	Average of cultivation in acres.	Average of rent-roll.	Rate per acre.	Average of cultivation in acres.	Average of rent-roll.	Rate per acre.	
		Acres.	Rs.	Rs. a. p.	Acres.	Rs.	Rs. a. p.	Acres.	Rs.	Rs. a. p.	
Etah, ...	17	6,230	19,084	3 1 0	6,666	22,000	3 4 10	6,945	22,999	3 4 11	
Sukeet, ...	7	4,584	11,252	2 7 3	5,190	13,253	2 8 10	5,494	13,845	2 8 4	
Sonhur, ...	5	2,275	4,098	1 12 9	3,002	5,371	1 12 7	3,245	6,645	2 0 10	
Marchra, ...	10	5,254	15,652	2 15 8	6,032	16,717	3 1 7	6,168	20,933	3 6 4	
Total, ...	39	18,343	50,086	2 11 8	20,890	59,343	2 13 6	21,851	64,422	2 15 2	

ETAH DEPUTY COLLECTOR'S OFFICE:
The 28th August, 1872.

R. HOBART,
Deputy Collector.

No. 6.

Statement showing the Average Rent Acreage Rate in the selected Villages of Tehseel Kasgunge, Zillah Etah, from 1841 *to* 1870.

Pergunnah.				1st Decade, 1841 to 1850. Number of years whose papers were found.	Average under cultivation each year.	Average rent-roll each year.	Amount of rent per beegah pucca.	2nd Decade, 1851 to 1860. Number of years whose papers were found.	Average under cultivation each year.	Average rent-roll each year.	Amount of rent per beegah pucca.	3rd Decade, 1861 to 1870. Number of years whose papers were found.	Average under cultivation each year.	Average rent-roll each year.	Amount of rent per beegah pucca.
					Pucca beegah.	Rs.	Rs. a. p.		Pucca beegah.	Rs.	Rs. a. p.		Pucca beegah.	Rs.	Rs. a. p.
Sahawar	13	Villages,	...	Average 3 years of each.	13,778	16,416	1 2 9	5 years.	19,258	23,499	1 3 5	5 years	19,773	24,850	1 4 1
Sirpoorah	10	ditto,	...	2 „	10,679	11,457	1 1 1	5 „	13,225	15,227	1 2 5	5 „	12,311	15,172	1 4 4
Soron	8	ditto,	...	2 „	9,181	10,955	1 3 1	5 „	9,634	11,726	1 3 5	5 „	10,021	12,843	1 4 6
Kursana	10	ditto,	...	3 „	6,702	6,660	0 15 10	5 „	7,195	7,938	1 1 7	5 „	7,918	8,580	1 1 4
Bilram	24	ditto,	...	3 „	23,646	27,394	1 2 9	5 „	23,684	30,723	1 4 9	5 „	23,253	33,136	1 7 9
Puchlana	11	ditto,	...	3 „	10,265	15,301	1 7 10	5 „	10,951	16,655	1 8 4	4 „	10,618	16,866	1 9 4
Olai	8	ditto,	...	4 „	9,233	18,315	1 15 8	5 „	9,426	18,686	1 15 10	4 „	10,069	19,420	1 14 9
Faizpoor	11	ditto,	...	3 „	8,977	13,382	1 7 10	5 „	8,691	12,053	1 6 2	4 „	8,964	13,190	1 9 7
	95	Total,	...	...	92,461	1,19,880	10 8 10	...	102,064	1,36,507	10 13 11	...	102,927	1,44,057	11 7 8
Rate per beegah pucca,			...	...	...	...	1 5 1¼	...	...	...	1 5 9	...	...	...	1 6 11
Rate per acre,			...	...	...	...	2 4 11	...	...	...	2 6 0¾	...	...	...	2 8 2

Etah, Deputy Collector's Office:
The 28th August, 1872.

R. HOBART,
Deputy Collector.

Report by R. M. EDWARDS, ESQ., *Offg. Commissioner, Agra Division, No.* 857, *dated Agra, the 7th November*, 1872.

SIR,—In reply to No. 2359 of 4th instant, and previous reminders on the same subject, I have only to repeat what I told the Junior Member demi-officially several months ago, namely, that I do not propose to submit any detailed opinion on the question of a permanent settlement and the system of 30-years' settlements now in force in these provinces.

2. The subject has been discussed in all its bearings by men of far greater experience in settlement work than I can claim, and every imaginable argument has been brought to bear. It would be useless as well as wearisome going again over the same ground and retreading an already well-beaten track.

3. I will, therefore, only say that I have been the steady and uncompromising opponent of a permanent settlement since the question was first mooted in, I think, 1863-64. At one time, indeed, in 1866, it appeared from the Despatches of the Secretary of State that Government was pledged to make the settlement perpetual, and I thought good faith demanded that the pledge should be redeemed at whatever cost, but this supposed promise has since been successfully got over, and the matter can be decided on its merits untrammelled by the question of good faith.

4. I maintain that a permanent settlement is inexpedient both politically and financially, while the landed interest neither demand nor wish for it. It would be raising a permanent superstructure on a necessarily shifting foundation, and sacrificing the interests of the State, and, I will add, of the people also to a mere chimera. It, moreover, proceeds on the dangerous and mistaken assumption that what has answered well in Europe must prove suitable for this country.

5. Far too great importance has been given to the political aspect of the question. It has been urged that a demand fixed in perpetuity would bind the proprietary community to the British Government, give them a real and practical interest in its maintenance, and not only ensure their passive loyalty, but their active opposition to the advance of any foreign power. The argument might have some foundation with reference to a *redeemed* land-tax; it has next to none with regard to a permanent land-tax; for it rests on the presumption that the zemindar is satisfied with his lot and position, and we know how rarely that would be the case, and it ignores the love of change which permeates the very life-blood of the Asiatic.

6. What European power, and no other need be taken into consideration, would be so insane as to reverse the existing order of things at once? It would be only too glad to let fiscal matters remain in *statu quo* until it had acquired a firm and assured position in the land.

7. That a permanent settlement would be a blunder financially needs no demonstration: it is written in the history of the past. What would our position now be if we had hurriedly rushed into and carried out the views enunciated by the late Colonel Baird Smith in 1861? The Blue Books of the past 10 years supply the best answer.

8. The financial requirements of the State are increasing year by year, and must continue to do so. We have utterly failed in devising any new series of imposts which will suffice to meet these increased calls, and yet not prove so odious to the masses that their collection generally would provoke widespread and dangerous opposition. Our sheet-anchor for many years to come must be the land-revenue, and to tie it down and curb its expansion when all else is expanding and undergoing change would be suicidal.

9. There is another part of the question which has scarcely been given the prominence it demands, and that is, what are the feelings and wishes of the proprietary? With the exception of a few landholders, whose estates have been assessed on very favourable terms for them, I do not know a single man who desires it. The majority not

only do not want it, but are decidedly opposed to it: saying,—"we will only engage for our own time; let those who come after us make their own arrangements, and keep their feet in their stirrups as they best can."

10. Now with reference to the present 30-years settlement.

11. I am disposed to pronounce the term too long and to advocate its reduction by half or one-third. Such a course would necessitate the abandonment of a great deal of the existing elaborate system, but that I would regard as an improvement.

12. What these settlement operations entail on the people, from the date of their commencement to that of their close, has lately been most ably and graphically told, and no words of mine can add to the too true picture. Our object should then be to save the community from the present harass and the State from the vast expense of the system now in force, without in any way sacrificing imperial interests. The time of Settlement Officers is taken up with the preparations of papers not immediately connected with the assessment, and the tendency of all soil enquiries and records is to increase and multiply. Where is the vital necessity—I would almost ask, where the advantage— of the elaborate enquiries into occupancy rights now that Act X. has revolutionized the status of the old occupier, and required other proof than the entry in the settlement record? The same remark applies to rates of rent, save so far as the enquiry bears on the assessment.

13. The compilation of the village administration papers is at present to a considerable extent unnecessary. It is a question whether the costly field survey is absolutely necessary in each revision; as it is, I believe, an admitted fact that the village maps, however accurately drawn out in the first instance, cease to be correct after two or three years have passed.

14. If Settlement Officers were restricted to points which bore on the Government demand, a vast deal of time and expense would be saved, while the feelings of reciprocity and mutual interest, which should exist between landlord and tenant, would not be so often interfered with as at present. Ent this subject is interminable, and I have no time to go into it properly just now. I will merely add that the system of arriving at assessment now in vogue is preferable to the many I have seen mooted, the majority of which I regard as utterly impracticable under existing laws.

15. Apologising for this very hastily-written sketch, which does not profess to be an answer to the important and interesting questions referred by the Board,

Report by F. M. LIND, ESQ., *Commissioner of the* 1*st or Meerut Division, No.* 872.—*Dated Camp, Dehra Doon, the* 16*th December,* 1872.

* * * * * * * * *

2. With respect to the subject itself, I would remark generally that no equitable system of average rates, based on the principles of settlement usually resorted to, could be adopted, which would secure to Government its fair proportion of the land rent, and at the same time not be injurious to the interests of land-owners.

3. Under the existing system of making settlements, the calculation of assumed assets is for the most part made on a classification of soils, and the supposed yield from the same. In this process the margin left for possible improvement is not much. No doubt other considerations do find their way into the calculations of Settlement Officers, but speaking generally and for the most part, the chief points in framing average rates of assessments are as stated above. Settlement Officers do not as a rule strain the capabilities and the possible assets of the land: they shrink from suggesting rates that might fall oppressively, and in this I think they are right. The failure of a settlement is disastrous to the estate itself as well as to the interests of Government.

4. It would, in my opinion, be impossible to make a permanent settlement that would be equitable to all parties, and secure the rights of all, on the system hitherto pursued. It is impossible to calculate possible rises in price, and consequently rises in rents; and there is much difficulty in calculating with any degree of precision, the possible effects in the way of improvement from canal-irrigation. These considerations

seem to me to negative the idea of limiting the Government demand to any fixed amount, assumed on existing assets, with a margin for possible improvement. It would be impolitic and disastrous to err in the interests of Government, by exacting too high a demand, and it would be equally unjust to Government to levy the demand at too low a rate. The only principle on which I think a permanent settlement would be feasible is that of taking the average yield, say, five years, converting that into its money equivalent similarly calculated on an average of years, and fixing that amount as the Government demand, subject to a decennial adjustment of the prices. It would be unreasonable to apprehend a retrogression in prosperity; and assuming an advance, any errors in under-assessment would be in favour of the landlord, for the calculation on the average of prices would be made on the prices of preceding periods. The decennial adjustment would, I think, suffice to protect the interests of Government.

5. But I confess I am not an advocate for any system of permanent settlement. The experience of the past indicates, I think, sufficiently clearly that we cannot foresee possible sources of improvement; nor can we, I think, be sure that the notions entertained to-day will stand the test of trial in all time to come. I would prefer, therefore, to see Government retain in its own hands the power to alter, in any way that circumstances might dictate, the system and principles of assessing the land-revenue. It is, I think, politic as well as just to retain this power as the only way in which the greatest source of Government revenue can be held in some sort of control.

6. Much has been said and written about the proportion of the land-rent which Government can equitably claim to itself. The present proportion is 50 per cent. in estates the settlement of which has lately been raised. If this proportion could be ascertained with any degree of accuracy, it would be a fair proportion; but experience has shown how lamentably calculations, made with the utmost care, are apt to be delusive. On the whole, however, I do not think it would be wise on this account to assume a higher proportion as the just share of Government.

Report by KOUR LUCHMUN SINGH, *Deputy Collector, Boolundshuhur* (*No.* 493).—*Dated the 9th December*, 1871.

* * * * * * * * *

2. Before giving my views on the points indicated in the Board's Circular No. T.T.T. of 1871, I think it proper to state that in my humble opinion it is highly desirable that the Government should redeem, with as little delay as possible, the pledge which it gave to the landed proprietors of the North-Western Provinces to grant them a Permanent Settlement so long ago as sixty-six years. The said pledge was first given in the proclamation in Regulation IX. of 1805, and subsequently renewed from time to time. It is true of course that before adopting so important a State measure the Government is bound to take every precaution, in order to prevent the possibility of any enormous sacrifice being made in its future revenue, and with that view to, satisfy itself that the conditions for granting a settlement in perpetuity are not faulty in any respect. But the time which has already elapsed since the date of the first promise *may fairly* be called *ample*, to have enabled the Government to come to a final conclusion in regard to those conditions. Knowing as I do the unsettled state of mind in which the people are kept during the time the settlement operations are in progress, and the backwardness which the zemindars show in improving their estates for some years before the termination of a temporary settlement and until the new settlement has been made and sanctioned, I am one of those who advocate a Permanent Settlement even at some sacrifice of future revenue.

3. I cannot imagine how any standard of average rent-rates can be laid down so as to be for all time to come the criterion for ascertaining the assets of an estate or to form the basis of a Permanent Settlement. Rent-rates depend for their rise or fall principally on the rise or fall in prices of agricultural produce, which again depend on causes entirely out of human control and sight. Who could have told eight or nine years ago that lands which then paid rent at Rs. 2 per beegah shall pay Rs. 4 or 5 per

beegah in 1871, and who can now say what the rates for the same lands will be 8 or 10 years hence?

4. It is well known that the rise in the annual value of land during the last nine or ten years was owing to an extraordinary combination of causes. The civil war in America raised the price of cotton and imported a large amount of silver into this country. These circumstances, and the facility of carriage rendered by the opening of the East Indian Railway, raised the prices of agricultural produce, and thereby made the agriculturists much more prosperous than they were before. Each cultivator tried to enlarge his holding, and the result was a keen competition for land, and consequently an increase in rent-rates. After the civil war was over, the famine in Orissa and Lower Bengal kept up the high prices here for nearly two years, and then came the drought of 1868-69, which added to the prosperity of the ryots in districts like Boolundshuhur, where the means of irrigation were at hand. Such combinations of causes are of rare occurrence, and it may therefore be fairly predicted now that the present rent-rates are not likely to increase for some time to come. On the contrary, if the seasons continue to remain as favourable as they were during the last two years, there is every likelihood of the rates being reduced, for even during the present year a number of tenants-at-will have thrown up their leases as too high under the current low prices, and the proprietors are obliged to give them a reduction. Hence the tendency to a fall of rates is apparent. How the rental assets were steadily on the increase during the last ten years will be seen from Table B., which I have compiled from the jummabundees of 13 villages, each of these villages being the first in the list of its pergunnah.

5. The general population of this district is above the average of the North-Western Provinces. It is, according to the census of 1865, nearly 419 persons to the square mile, whereas the average of the North-Western Provinces is only 361 persons. But the agricultural population is below the average. Table A. appended to this letter has been prepared from the data in the Census Report of 1865, and it shows for each district the amount of cultivated and assessable lands falling to the share of each person in the agricultural population. From this comparative table it will be seen that the cultivating holdings in Boolundshuhur are larger than the average for these provinces. The cultivable waste in this district was in 1865 nearly one-third of the cultivated area. This was more than the ordinary standard, but it was chiefly owing to the fact that a few villages in the khadir contained large tracts of uncultivated but assessable land. A large portion of this land has since been brought under the plough, and on the whole it seems to me that the Boolundshuhur District has passed now the transition state in which it was for nearly twelve years, and that there is no likelihood of its rent-rates rising for some time to come.

6. With regard to the expediency of a Permanent Settlement, subject to the condition of rateable increase or decrease of revenue in proportion to the rise or fall in prices, I confess that at the first sight I could not appreciate the proposal, but the more I thought of and paid attention to it, the more it seemed feasible, and I can clearly see now that a Permanent Settlement of this kind will be much better than the present temporary assessments. It will save much expense to the State, and trouble and anxiety to the people, and it will redeem the Government pledge as well as do away with the apprehension of sacrifice of future revenue. The principle of a Settlement of land revenue is obviously this, that the extent and capabilities of the soil having once been ascertained, and the Government demand on it having been fixed, there ought to be no increase or decrease in that demand until the assets from the soil, increase or decrease from other causes than those which are within the power of the proprietor. Prices are the main cause of increase or decrease in the assets of an estate, and this cause is beyond the power of the proprietor. Hence to adopt the prices of agricultural produce as the criterion for determining the assets, and thereby the revenue of an estate, is fair to all parties. But prices are constantly changing, and a constant change in the revenue is undesirable. I would therefore make no change in the jumma of a Permanent Settlement, but at intervals of 20 years each, and even then only if the increase or decrease in the average prices of the interval exceed the previous average by 10 per cent. It

may be asked here what should be the staple or staples the prices of which are to be the standard for testing the rental assets. I would boldly answer that *wheat* should be the testing staple, because it is the regulator of the prices of other grains, and grain is the principal produce of these provinces. But cotton, sugar, poppy, and indigo are also produced in large quantities, and their prices do not immediately depend on the price of grain, nor are they out of account in effecting rent-rates, and hence the next question may be, why should not these staples be also adopted as the testing standard? My reply is that the fewer the testing staples the better. Also, that in the first place none of these articles of produce (not even all put together) approaches even approximately to grain in extent of cultivation; and, secondly, where the cultivation of any of them increases or decreases, there is a corresponding decrease or increase in the cultivation of grain; so that in the long run every considerable change in the prices of these articles causes a similar change in the price of grain: for prices depend on demand, and supply depends chiefly on the extent of produce.

7. The intervals and testing staple having been fixed, I would adopt the following mode of applying the test. Let the price of 10 maunds of wheat be recorded in the papers of the first Permanent Settlement of a district as the average price of the preceding ten years. The assessment fixed at this settlement is not to be disturbed for 20 years, whatever may be the changes in the prices during that period. A date should be fixed in the year (say the 18th of *Baisakh* as used by native grain-dealers) the price on which should be taken as the average price for the whole year. At the end of the 20 years an average should be struck from the prices which prevailed in the district on each of the standard dates during that interval, and this average should be compared with the price recorded in the papers of the previous or expiring settlement. If it is within 10 per cent. more or less than the latter, then no alteration should be made in the assessment, and the old jumma should be allowed to stand for another 20 years. But if the difference be more than 10 per cent., then a corresponding increase or decrease should be made in the jumma for the next 20 years. For example, suppose the price of 10 maunds of wheat was Rs. 20 at the time of the first settlement of 20 years, and when the rental assets of an estate were calculated to be Rs. 2,000, and the jumma fixed at Rs. 1,000, and suppose again that the average price of the same quantity of wheat during the following 20 years was Rs. 25. Here the assets for the next 20 years must be supposed to be Rs. 2,500 per annum, and the jumma must consequently be Rs. 1,250 per annum. Similarly, if the average price of the first 20 years come to Rs. 15, then the assets for the next 20 years must be supposed to be Rs. 1,500 per annum and the jumma Rs. 750 per annum.

8. In regard to the subject of para. 4 of the Board's Circular No. T.T.T., I believe that the assessment at 50 per cent. of the rental assets is only fair, and by no means inadequate. A profit of less than 50 per cent. to the proprietor is too little to enable him to pay the cesses, village expenses, and cost of collection, and at the same time to meet bad debts and calamities of season, and to support his family. We know the difficulties experienced in realizing the revenue when the profits were only 34 per cent. The coercive processes of sale and transfer were then too common, and they were a great cause of discontent amongst the people. It is well known that an increase of rent-rates almost invariably follows an increase of jumma; but unless the increase is bearable it soon brings ruin to the estate. It does not seem to me politic to adopt different standards of jumma for different classes of tenure, for the tenures often change forms. An estate included in the property of a large proprietor is often detached from the large property and acquired by a number of small sharers. Similarly, a coparcenary estate may be acquired by a single proprietor and thereby change its tenure.

9. To give the Settlement Officer any discretion for deviating from the fixed rules in assuming the jumma of an estate on imaginary grounds is, I think, unadvisable. Such discretion in cases of error will tend to bring ruin to the estate or cause loss in the public revenue. I know a number of cases in which the Settlement Officer fixed a high jumma on the assumption that the rents were likely to increase. The assumption proved wrong or only partially right, and the estate suffered for it.

10. The rent laws as they at present exist are, I think, very deficient as far as the determining of rent-rates is concerned. There is no fixed standard of rates paid by any class of protected tenants in any vicinity, and yet the law prohibits the increase or decrease of rent of a protected holding, except in accordance with the rates prevailing in the vicinity for similar holdings. For tenants-at-will there is always a certain fixed standard of rates in every neighbourhood, and it would therefore be much easier than the present rule if a law were passed to the effect that the rent of a tenant having right of occupancy shall be so much below the rent paid by a tenant-at-will in the neighbourhood for similar land. There can be another rule, but perhaps not so unobjectionable as the above, for determining rent-rates of protected holdings, *viz.*, that ryots having right of occupancy shall pay rent to the proprietor equal to twice or three halves of the amount of revenue which according to the revenue rates may be due by the holding. The present law on the subject seems at all events to require amendment. Its administration now is not on any fixed standard, but according to the view of the administering officer. The data for drawing conclusions are vague or insufficient.

11. To keep a temporary Settlement open to re-adjustment during its term will, I believe, be objected to by the proprietors, whatever may be the prescribed cause for the re-adjustment. The people wish to be interfered with as little as possible by the public functionaries, and for this reason alone I would call the condition of re-adjustment *inexpedient*.

12. In calculating the assets of an estate, allowance should be made for the holdings of protected ryots, because it is the Government who wish, in the interest of the State, to protect such ryots. Why the proprietor should pay the highest revenue, when he is not permitted to realize the highest possible rent, is not manifest.

Table A. showing the number of acres of the cultivated and assessable areas per head of the agricultural population, the number of persons of the total population per square mile, and the percentage of cultivation on total area for each district of the North-Western Provinces for the year 1865.

	District.	Agricultural Population.	Assessable Areas.		Acres Per head of Agricultural Population.		Number of persons per square mile.	Percentage of cultivation on Area.
			Cultivated.	Total.	Of Cultivated Area.	Of Assessable Area.		
1	Dehra Doon, ...	49,583	66,350	1,34,309	1·28	2·71	101	...
2	Saharunpore, ...	3,12,348	7,81,867	9,84,789	2·50	3·20	389	54·8
3	Moozuffurnuggur, ...	2,80,872	6,50,173	8,48,104	2·31	3·02	414	61·7
4	Meerut, ...	5,21,890	10,36,089	12,22,051	1·99	2·34	508	68·5
5	Boolundshuhur, ...	3,95,601	7,77,196	10,37,476	1·96	2 62	419	63·6
6	Allygurh, ...	3,98,908	9,04,975	9,89,665	2·27	2·48	498	76·0
7	Gurhwal, ...	2,02,491	1,09,685	1,34,635	0·54	0·66	50	3·4
8	Bijnour, ...	2,76,080	5,72,772	8,08,279	2·07	2·93	367	47·5
9	Moradabad, ...	6,60,505	7,98,986	11,15,694	1·21	1·69	445	50·7
10	Budaon, ...	6,30,528	8,12,919	10,18,995	1·29	1·62	451	64·3
11	Bareilly, ...	9,26,385	10,09,752	12,10,320	1·09	1·31	582	66·4
12	Shahjehanpore, ...	7,45,246	7,97,414	11,65,610	1·07	1·56	437	53·0
13	Teraie,...	56,507	89,367	2,13,699	1·58	3·38	125	18·9
14	Muttra, ...	4,38,672	7,28,942	8,13,682	1·66	1·85	496	70·6
15	Agra, ...	5,68,584	7,94,460	8,77,220	1·40	1·54	549	66·0
16	Furruckabad, ...	5,39,978	6,15,552	7,59,854	1·14	1·41	541	56·7
17	Mynpoorie, ...	4,46,316	5,63,008	6,36,487	1·26	1·42	420	52·8
18	Etawah, ...	3,85,868	5,38,593	6,06,031	1·40	1·57	384	51·5
19	Etah, ...	3,72,137	5,67,137	7,21,386	1·52	1·95	437	63·1
20	Jaloun, ...	2,17,915	6,01,659	6,98,340	2·76	3·20	262	60·8
21	Jhansie, ...	1,67,088	4,10,914	6,43,572	2·46	3·88	222	39 9
22	Lullutpore, ...	1,45,813	2,13,789	7,20,882	1·46	4·90	127	17·1
23	Cawnpore, ...	6,60,438	8,35,788	9,69,488	1·27	1·47	502	55·2
24	Futtehpore, ...	3,54,015	5,39,263	6,52,590	1·48	1·79	431	53·3
25	Banda, ...	4,12,396	8,89,570	14,32,849	2·16	3·47	239	45·8
26	Allahabad, ...	7,73,343	9,91,02	12,03,626	1·28	1·56	504	55·9
27	Humeerpore, ...	3,03,027	7,54,052	11,19,298	2·49	3·69	228	51·1
28	Goruckpore, ...	26,81,359	26,50,236	38,59,817	0·99	1·44	465	55·9
29	Azimgurh, ...	9,01,049	8,11,931	10,30,731	0·90	1·14	545	49·8
30	Jounpore, ...	6,33,151	5,89,869	7,11,962	0 95	1·12	654	60·3
31	Mirzapore, ...	5,80,234	8,08,331	10,66,436	1·39	1·84	203	24·3
32	Benares, ...	3,70,414	4,43,005	4,70,526	1·20	1·27	797	69·4
33	Ghazeepore, ...	7,15,297	9,32,551	11,09,111	1·30	1·55	604	65·5
34	Ajmere, ...	2,23,604	1,60,737	2,96,176	0·72	1·32	160	9·3
	Total, ...	1,73,47,642	2,27,76,953	3,22,92,680	1·31	1·86	361	48·6

Table B. showing the increase of Rental in 13 Villages, taken at random, from the years 1268 to 1277 Fuslee, both inclusive.

	Pergunnah.	Mouzah.	1268 F. S.		1269 F. S.		1270 F. S.		1271 F. S.		1272 F. S.		1273 F S.		1274 F. S.		1275 F. S.		1276 F. S.		1277 F. S.	
			Area.	Rental.	Area.	Rental.	Area.	Rental.	Area.	Rental.	Area.	Rental.	Area.	Rental.	Area.	Rental.	Area.	Rental.	Area.	Rental.	Area.	Rental.
			Bs.	Rs.	Bs.	Rs.	Bs.	Rs.	Bs.	Rs.	Bs.	Rs.	Bs.	Rs.	Bs.	Rs.	Bs.	Rs.	Bs.	Rs.	Bs.	Rs.
1	Baran, ...	Ahmadpore, ...	304	759	305	849	311	852	311	837	311	858	312	886	305	1,004	308	1,204	308	1,218	308	1,539
2	Agouta, ...	Utsorah, ...	449	949	449	949	445	949	412	995	558	1,022	435	1,257	436	1,215	449	1,247	449	1,247	449	1,216
3	Sayanah, ...	Agapore, ...	1,918	2,161	1,918	2,157	1,918	2,157	1,714	2,142	1,711	3,212	1,715	3,220	1,715	3,240	1,715	3,270	1,714	3,270	1,729	3,228
4	Shikarpore, ...	Ashrafpore, ...	250	347	250	360	143	143	206	102	206	303	161	250	268	371	258	385	265	394	267	680
5	Anupshuhur, ...	Azimpore, ...	707	1,129	740	1,301	690	1,280	709	1.300	731	1,326	733	1,326	744	1,341	747	1,343	775	1,371	777	1,371
6	Ahar, ...	Imamabad, ...	317	449	318	454	268	387	268	388	269	389	269	389	269	389	269	389	303	617	303	772
7	Dibai, ...	Amarpore, ...	582	583	599	996	596	996	601	1,007	601	1,009	600	1,027	601	1,015	601	1,052	601	1,087	601	1,032
8	Khoorjah, ...	Arnia Mansurpore, ...	916	1,486	916	1,803	888	2,091	635	1,610	817	1,776	818	1,921	853	2,229	883	2,340	888	2,489	901	2,625
9	Pahasu, ...	Amarpore, ...	659	311	669	858	669	1,466	689	990	689	1,956	687	898	908	1,133	630	1,160	558	1,079	541	1,009
10	Jewár, ...	Amanullapore, ...	751	833	751	892	751	912	736	1,452	736	1,466	737	1,458	738	1,462	739	1,456	639	1,446	745	1,578
11	Sikandrabad, ...	Asadeyi, ...	387	255	387	446	387	664	386	1,094	405	809	405	845	405	845	406	845	406	845	409	977
12	Dadree, ...	Anerah, ...	208	191	338	1,172	338	203	338	527	552	728	504	717	550	815	637	892	706	1,066	758	1,109
13	Dankour, ...	Ainchar, ...	1,280	1,354	875	931	995	1,150	897	985	855	1,260	996	1,304	1,022	1,467	1,106	1,777	1,102	1,772	1,110	1,788
		Total, ...	8,728	10,507	8,515	13,168	8,399	13,150	7,902	13,429	8,440	16,114	8,372	15,498	8,814	16,526	8,748	17,360	8,714	17,901	8,898	18,924

Report by W. W. G. CORNWALL, ESQ., *Assistant Settlement Officer, Jounsar Bawar, Dehra Doon* (*No.* 338). *Dated 24th November*, 1871.

* * * * * * * *

2. The pergunnah under my charge is one of the backward and partially developed tracts noticed in Mr. Elliott's letter to the Board, and therefore the rules of settlement in force in the plains cannot be applied to it in their integrity, or rather without so many exceptions to suit its peculiar circumstances that the character of the settlement undergoes a total change. Nearly the whole of the points on which the Board has called for report cannot be answered, as the subjects to which they relate are unknown in the pergunnah.

3. In answer to the first point mentioned by the Board, I can only state that with the exception of the small khut of Hurreepore-Beas, in which the bazaar of Kalsee is situated, and a few villages originally given by the Rajah of Sirmoor for service, rents are unknown throughout the pergunnah. Each man cultivates his own little piece of ground himself, occasionally assisted by one or two labourers, and only abandons it under the pressure of necessity. He then adopts one of three courses—(1) to go away to another khut, or even out of the pergunnah, to try and earn money enough to enable him to resume his cultivation, meanwhile leaving his land uncultivated; (2) to mortgage his land; or (3) to go away leaving his land to the cultivation of another, who makes what he can out of it, giving the owner what is termed 'kharee,' *i.e.*, an acknowledgment of some kind, generally a goat a year, for the sake of showing that he is not the owner of the land he occupies. This is a rude kind of payment for the use of the land, and may, by a stretch of language, be dignified with the name of 'rent,' though it is certainly not understood by either party as such.

4. From a price-current drawn up at the Kalsee Tehseel some months back, which contains the prices for the last twelve years of the several kinds of produce of the pergunnah, I can discover no striking rise in prices such as has taken place elsewhere. There has been to a certain extent a rise in some things, but in others the price has remained nearly stationary. This price-current has been compiled by the Tehseeldar, with great assistance from the Kalsee bunyas, to whom he has had to apply for the prices of the numerous kinds of grain grown in the hills which find no place in the usual list. It shows the price of grain at Kalsee, but it of course can give no idea as to the price paid by the people to each other, or the price paid by residents of Native States; these transactions generally take the form of barter, and but little cash changes hands except perhaps that paid for opium, and therefore it is difficult, and I might say almost impossible, amongst an illiterate race, to obtain any reliable information from which actual prices might be deduced. Many kinds of grain, moreover, are grown solely for home consumption, and only find their way into the market in very small quantities.

5. The population of the pergunnah is scant, in some places miserably thin. The cause of this is to be traced to the prevailing custom of polyandry, and until the people can be induced to abandon this, it is hopeless to expect any increase. The scant population is necessarily an obstacle in the way of improvement, and it will be a matter of interest to see whether the coming census returns show any sign of a greater equalization of the sexes than existed at the settlement completed 11 years ago. The pergunnah can bear double its present population easily. There is plenty of culturable land available still, in some places in large plots, in others in smaller patches, and in every khut there are numbers of fields which are only broken up occasionally, once in four or five years for instance, all of which could readily be turned into permanent cultivation if there was a sufficient demand for the land. My measurements being confined to cultivated land, I have not the means of stating what amount of culturable land is still uncultivated; and as the previous settlement papers also dealt with cultivation, the past records will afford me no assistance. The demarcation of the Government forests has removed a large area of land from the operations of the settlement which could other-

wise have been recorded as culturable; but apart from this advantage to Government of having its forests marked off, the demarcation ought to be a benefit to the villagers by compelling them to keep their fields in the more open land, and to break up new ones on the outskirts of the villages, instead of scratching a few yards here and there, and leaving the crop to be devoured by pigs and bears. The land capable of irrigation in the valleys has been mostly brought into cultivation; though by dint of hard work, and heavy cutting of the hill side, other fields could undoubtedly be made. There are some places where tuccavee advances could be advantageously made to assist the men in making water-courses, but as matters stand at present, they can get as much out of the ground as they require to keep themselves and pay the revenue, and they have not the slightest disposition to go to the trouble of breaking up new land simply in order to better their condition a little. In many of the streams there is ample water to admit of much more land being irrigated, but the people are too apathetic to make a water-course for themselves where the slightest difficulty presents itself, and hitherto they have never been under the necessity of doing so.

6. The means of communication in the pergunnah are capable of great improvement. At present there is a road from Mynpoory to Chukrata, and another from Kalsee to Chukrata, the latter being eventually intended to become a cart-road. The pergunnah is indebted to the Forest Department for the road from Chukrata over Deobun to the Tonse, which almost supersedes the old Simla road made in Colonel Young's time. A fourth road was marked out and partially made from Chukrata *viâ* Jaddee to the Tonse by the late Commissioner Mr. Williams, but its completion is deferred until the Punjab Government take steps to make the road on their side of the Tonse to connect the new line with the old Simla road. These four roads may be said to be the only ones in the pergunnah; there are certainly other village paths, very few of which can be ridden along. Narrow, *i.e.*, four feet roads, could be multiplied if funds were available, but with only Rs. 1,000 per annum at their disposal, exclusive of the grant for the Mussoorie-Chukrata road, the Dehra Doon District Committee have only been able to keep existing tracts in a passable state, and this is the first year that they have been able to venture on improving an old line of road. The collections under the 10 per cent. cess will be able to afford some help for making roads, but the equally crying want of schools must first be provided for.

7. In regard to the second point noticed by the Board, I presume that I am called upon for a general answer, and not one relating solely to the state of the pergunnah under my charge. It having been decided that the existing conditions under which permanent settlements may be made are insufficient to reserve to Government a proper share of the produce of the land, a third condition is proposed, that at certain periods the revenue should be increased in proportion to the increase of prices.

Apart from the promise which has been held out to the land-holders of these provinces, that a permanent settlement would be eventually granted to them, I think that a demand fixed either in money or the equivalent of money is preferable to a demand liable to variation after a certain period. The question of permanent and temporary settlement having been so fully discussed, and the advisability of a permanent settlement under such conditions as will protect Government from material loss, while they will encourage the land-holder to improve his land to the utmost, having been admitted, there is no necessity to enter upon this point. The questions which appear open to discussion are:—

(1) The advisability of introducing a system under which the Government demand would be fixed permanently in one way and temporarily in another, *i.e.*, that the Government demand would be fixed permanently in respect of the amount of grain to be required from each estate, and that this amount remaining fixed for ever, the demand would be liable to change if the prices rose within a certain fixed period beyond certain fixed limits.

(2) The period during which the demand should remain unchanged.

(3) The rise in prices which would render a change advisable.

(4) The staple by which the increase of prices should be tested, and the mode of applying the test.

8. The existing conditions for permanent settlement being clearly proved insufficient, and the experience gained from the example of the permanently-settled Provinces having shown that the advantages expected to balance in some degree the loss sustained by Government by fixing the demand, have in no cases resulted, the proposed plan of assessment appears to me the only one under which the land revenue will be protected from material loss, without detriment to the landholders. The promise of a Permanent Settlement has been held out to the people for such villages as are in a sufficiently advanced state of cultivation, and as the records prepared at the settlement now in progress throughout the Provinces will contain all the information necessary, the time appears to have come when the promise should be fulfilled, provided that the Government is satisfied that the terms on which the demand is to be fixed are fair and equitable to itself as well as the landholders. It is evident that in the present state of the provinces the Government in a few years after the completion of a settlement receives far less than the share to which it is entitled; and that, under the circumstances, the settlements now completed cannot be confirmed in perpetuity, as their confirmation would not be fair or equitable to Government, and the heavy loss sustained in future years in these Provinces would be an unfair charge for the rest of the country. The proposed measure of assessing a village permanently at a fixed number of maunds of grain, but varying the amount of the demand if prices should vary so much as to make the change advisable, though it cannot strictly be called a Permanent Settlement, either in the sense the people have understood the promise, or in the sense that was intended by the makers of the promise, still it is, as it seems to me, the only one under which Government can protect its own interests, and do justice to the people of other parts of India as well as to the landholders of these Provinces. I have not had the opportunity of speaking on the subject with any large landholders lately, but I can see no reason why they should not be glad to accept a measure with so large a degree of permanency in it, especially as the conditions under which any change would be made will be so simple and clear that they could calculate to a nicety the probabilities of an alteration, and the amount of enhancement they would be liable to pay. Any enhancement of the demand could be made easily by the Collector and his subordinates in the course of a cold-weather tour, and while Government would be saved the heavy expense of settlement establishments, the people would be relieved from the innumerable petty annoyances to which a settlement subjects them: and the necessity for falsifying records, and the corrupt practices which a revision of settlement gives rise to would cease.

9. The period during which the demand should remain unchanged I should fix at 30 years. A shorter period would tend to have a very disturbing effect on men's minds, and they would be always labouring under the idea that Government had cheated them, and so far from fulfilling its promise of giving them a settlement in perpetuity, it had for its own end really made it more temporary than before, with a view to squeeze as much revenue as possible out of them. It would be most impolitic to have the people in such a state, and yet I cannot but think that frequent changes would have this effect upon them. No landlord would be able to give leases except for short terms; the cultivators would be constantly called upon to pay enhanced rents, or be annoyed by suits for enhancement even by the best landlords, who would be compelled to raise their rents in proportion as Government raised its demand; and the grasping landlords of the money-lending class, now becoming so numerous, having no object but to get as much as possible out of their tenants, and having no sympathy with them, or willingness to help them in the time of need, would keep their village in a most unsatisfactory and undesirable state.

10. To raise the demand for a trifling increase of revenue would also, I think, be useless, and cause dissatisfaction. It would be sufficient to stipulate that the demand would be liable to a proportionate enhancement, if the prices of produce rose more than

10 per cent.: and, for purposes of calculation, I should take the average price of the past ten years, and only raise the demand if this average exceeded by 10 per cent. the prices ruling at the time of the last assessment.

11. In my opinion future alterations in the demand should be based upon clear definitions to be laid down now, so that there may be no possibility of a doubt hereafter, which will tend to shake the confidence of the people in the integrity of Government. I should prefer to see each estate which the Settlement officers have already reported as fulfilling the two conditions laid down for permanent settlement, carefully examined as soon as possible, and the area under each crop ascertained. The result, being compared with the records of the past settlement, ought to form a sufficient basis upon which to ground the calculations of the average produce of the estate. This inspection I consider necessary to protect Government from loss by the villagers' practice of throwing land out of cultivation, and sowing the less valuable crops towards the conclusion of a period of Settlement in order to obtain more favourable terms for the coming period. The average produce of the estate having been estimated, the owner would be offered to engage in perpetuity to pay Government the value of so many maunds of each kind of produce grown on his estate, the amount to be paid for 30 years according to the present market rates, and subject only to the condition that this amount will never be altered except at periods of 30 years, and then only if the average prices of the past few (ten) years have been 10 per cent. above the prices prevalent at the time he entered into his engagement. This being done, there could be no difficulty in at once ascertaining whether the demand required alterations at the end of the period, the Collector of course being careful meanwhile to see that the entries in the price-currents represented faithfully the actual prices ruling in the market.

12. In estates thus settled there would appear to be no necessity for Government to retain any further control over the village accountants or their papers, and the owners might be allowed to make their own arrangements for keeping their accounts.

13. With reference to the first point relating to "Temporary Settlements," I need hardly state that the settlement of this pergunnah was not based on any percentage of the assets, and therefore, as far as it is concerned, the question requires no answer. But for districts in the plains I think the present rate of assessment is sufficient. Were a higher rate imposed, the revenue would be collected with great difficulty in bad seasons; in cases where only suspension of the demand is now necessary, probably total remission of the revenue would be required; and when it is remembered that in addition to the land revenue, the estates have to pay certain cesses, a higher rate would prove heavy as an average, and the landholder would be left but little to improve his estate.

14. The second and third points relate to subjects which call for no answer in reference to this perguunah.

15. The last question I have already noticed in para. 9, and will only add that, in my opinion, any change in the assessment within the period fixed for the continuance of the settlement would be regarded by the people as a breach of faith: and instead of being quiet and contented, they would become discontented and suspicious.

Report by W. H. SMITH, ESQ., D.C.L., *Settlement Officer.—Dated Camp, Hattrass, the 20th February,* 1873.

QUESTION 1.—*Is it possible to lay down some standard of average rates below which no Settlement shall be confirmed in perpetuity?*

In my opinion no such standard could as yet be laid down. A review alone of the prices of grain current of late years in this district would seem to me to supply some strong arguments against at least the present possibility of fixing the rate suggested.

Of all the six tehseels of this district, Hattrass is perhaps the furthest advanced. *The soil is of superior quality throughout; the system of irrigation is perfect, 92*

per cent. of the area being irrigated chiefly from easily constructed "kutcha" wells; population is excessively dense; and the rent-rate is higher than in any other sub-division; 5 annas 2 pie per acre higher than that of Secundra Rao, 13 annas 7 pie higher than that of Iglás, and Re. 1-0-7 above that of Koil.

Yet the average price of wheat in Hattrass, for the 11 years* succeeding the year of the mutiny has been 23 *seers* 3 *chittacks* per rupee, while the prices of *jowar* and *bajra* have been 30 *seers* 5 *chittacks* and 26 *seers* 13 *chittacks* respectively. In Koil, on the other hand, the prices of these three staple grains were for the same period 20 *seers* 3 *chittacks* for wheat, 26 *seers* 5 *chittacks* for *bajra*, and 23 *seers* 11 *chittacks* for *jowar*.

Now the city of Hattrass is an important grain mart; the sub-division is intersected with magnificient roads, the railway passes near the city, and there is a large export-trade; yet for the present grain is cheaper there than in Koil, which enjoys similar advantages of communication, though without any market of the same consideration as Hattrass. It is surely probable that prices in the latter *tehseel* will at least rise to an equality with those in the former, and in that case there will be room for some still further rise in the rent-rate, assuming of course, as I must assume, that my rent-rate is not too high now.

In the other four tehseels prices were lower still during the same period. The average for Atrowlee was 27¾ *seers* per rupee for wheat, 26 for *jowar* and *bajra* alike: in Khyr prices were 29¾ for wheat, 35·1 for *jowar*, and 34·5 for *bajra*; in Secundra 29·1 for the former staple, 28·3 for the two latter. In Iglas wheat was sold at 25 *seers* 11 *chittacks* per rupee.

As far as wheat is concerned, these prices would appear to vary with facility of communication. Khyr is the most backward sub-division of all, and there prices are lowest. Secundra is traversed by the Grand Trunk Road, but is some little distance from any important centre; and Atrowlee lies rather apart from the main avenues of communication; but Iglas has a near market in Hattrass, and is not very far from Koil.

Throughout the country, as the systems of communication improve, there is no doubt a tendency towards equalization of prices; as the more outlying tracts become subject to the influences of new roads and railways, exports increase and prices slowly rise. There appears to me no reason why the prices now obtaining in the four last mentioned *tehseels* should not attain to, or at all events nearly approach, the level of Hattrass and Koil. Rents will then surely follow the rise.

No doubt in the end prices must stop somewhere, but what is there to show that this limit is yet reached? On the contrary, there is every reason to expect a further rise. I have before me tables of prices for the months of March, April, May, June, and July of 1872, for the North-Western Provinces, the Punjab, Oudh, and the Central Provinces. From these tables it appears that the average price of wheat was lower in the North-Western Provinces than in any of the other Provinces. The average of the Central Provinces is kept down by the abnormally low prices of one division, that of Chutteesgurh, and the difference between it and that of the North-Western Provinces is small; but in Oudh the average for the five months is 16 seers, that in the Punjab is 19; while that in the North-Western Provinces is 23, or a difference of 43 per cent. in the former, 21 per cent. in the latter case.

The Meerut Division again shows a series of prices lower than those of any other Division in these Provinces. Already, however, the Railway from Rohilkhund is opened to Allygurh, and very soon the Rajpootana Provinces will be brought into easy communication with these northern Districts. If therefore the usual influences are to prevail, a further rise in prices would seem to me a matter of certainty. Surely the level of other parts of India, not apparently subjected to more favourable conditions, will be attained here also?

*I have excluded the following years from calculation, as they include the years of scarcity, 1868-69.

Hattrass and Koil are the two sub-divisions of the District best furnished with markets, and it would appear impossible to declare that prices have reached their limit in these two tehseels: it is therefore equally impossible to assert that rent-rates have reached their maximum: but if again further rise is possible and probable in advanced tracts of the country, it is still more likely in more backward sub-divisions.

The assumption which underlies these remarks is that a rise in prices has resulted, and will always result in, a corresponding rise in rents. That this will be the case where rents are unfettered by anything but competition, is doubtless the case. But there is little reason for believing that free competition has its due influence on the fixation of rents at present. A striking instance in point is afforded by the circumstances of *Tehseel* Secundra Rao. Here, if anywhere, rents should have largely risen during the last 16 or 17 years. In 1855 canal-irrigation had not long been introduced, and has since made vast strides, and it is the period subsequent to that date which has been marked by the steady rise in prices: yet the rent-rate of 1870 is only 6 per cent. higher than that of 1855, while during the whole term of settlement, with the assumed* rent-rate of last settlement as a basis of comparison, the rate paid has risen 47 per cent., *i. e.*, it has risen least when circumstances were apparently most favourable for a rise.

In Hattrass again the rent-rate has only risen 7 per cent. in the last 12 years. In Koil and Khyr the rise has been greater in a similar period, but in the latter tehseel this was due to special causes.

The fact is, that it is only since settlement proceedings have commenced that anything like a general attempt to raise rents has been made. My own opinion is, that up to this time revenue has had more to do with rent than anything else; in other words, heavy revenue means high rents, and *vice versâ*, light revenue is generally accompanied with low rents. Secundra, for instance, is as highly irrigated as Hattrass, and with a more than adequate population, but the former tehseel was subjected to a much higher assessment than the latter, and the rent-rate recorded is Rs. 4-7-9 in Secundra as compared with Rs. 4-14-5 in Hattrass. Until lately the zemindar, as a rule, has looked upon rents as inelastic, and has only endeavoured to raise them either when he actually obtained very inadequate profits or feared an increase in his revenue.

In certain villages in every tehseel, no doubt rents have risen to a very fair standard; sometimes where a new and powerful proprietor has managed to efface all occupancy rights, to a very high one; and it is by a comparison of the inadequately rented estates with these villages that a Settlement Officer is enabled to fix what are fair average rates.

It is in this way that settlement proceedings seem to me to give the impetus to a general rise. In the main they cause and do not follow this. Every new settlement therefore at the present time would appear to bring about for most villages the "transition" period, through which Boolundshuhur has been passing, and this period will certainly not end until some time after each settlement is declared. It has not ended in Allygurh.

In parts of the district cases occur which induce a conviction that the highest average rate which could now with safety be imposed on a Pergunnah is still considerably below the rate which may be ultimately reached. Villages are found, in no respect superior to neighbouring estates, in which surprisingly high rates are prevalent. It is true these villages mostly belong to new purchasers, and there may be a suspicion of rack-renting, but they are often prosperous and the cultivators are apparently contented. The rise has been gradual and has not been felt. The endeavour to impose similar rates on all similar villages at the present time would infallibly lead to the ruin of the proprietors, but these instances appear to me sufficient to show that rents, as now generally prevalent, are capable of great expansion, and that they have not yet approached their maximum.

* This rent-rate I believe to have been too low, and the real rise has no doubt been somewhat less than 47 per cent. The figures, however, are enough to show that, as I say, the rise was least when it might have been expected to be greatest.

As far as the physical characteristics of this District are concerned, a Permanent Settlement might be effected to-morrow in the greater portion. In the entire District only 10·6 of the whole culturable area remains uncultivated; in four *tehseels* less than 10 per cent.; in two, Khyr and Atrowlee, more than that proportion: in the former 20·8, in the latter 16·1. These two *tehseels* are backward also in the matter of irrigation. In Atrowlee 48·8 of the area, in Khyr 53·5 is irrigated, while in Koil, Iglas, Hattrass, and Secundra irrigation covers 78·5, 76·1, 92, and 91 per cent. of area respectively. Supposing all other conditions fulfilled, Atrowlee and Khyr alone would probably be excepted from the privilege of a Permanent Settlement.

Population is dense throughout—546 to the square mile by the new census of 1872.

2. *Prices paid for Land.*—It appears to me difficult to draw any definite conclusions from an examination of the prices paid for land during the past 30 years. The increase in its value during that time has unquestionably been very great. Taking the three chief classes of transfer, private sale, mortgages, and auction sales in satisfaction of decrees, into consideration, we find in Atrowlee for the last decade as compared with the first, an increase of 61 per cent. in the number of years purchase of the revenue; in Koil 63 per cent.; in Iglas 64 per cent.; in Khyr 45·6; in Secundra 282—the last an enormous rise, accounted for by the vast spread of canal irrigation in that *tehseel*.

But at last settlement I do not think the selling value of land had much to do with its letting value. Men refused even to buy land at all, and frequently Government had to buy-in villages put up to auction at the nominal price of one rupee; the *status* of a proprietor was little coveted, and there was no competition. In a lightly-assessed *tehseel* like Secundra, for the first decade after settlement, villages on the average only fetched a sum equivalent to 2·3 year's purchase of the revenue, in Iglas 2·8, in Khyr 3·88. In Atrowlee and Koil only was the price a little higher, 5·5 and 4·4 years purchase respectively. Things have altered now, and in the more lightly-assessed *tehseels* high prices were paid during the last decade.

Looking at the recorded rise in rents during the settlement, we can at all events confidently assert that rents have certainly not risen in anything like the same ratio as the transferable value of land, and we might perhaps argue that late purchasers have bought land in the belief that the existing rates of rent will increase. It is remarkable that the average prices paid during the last decade for land alienated by private sale would return an abnormally small percentage of interest to the purchaser if the present rates of rent continued. The high prices obtaining lead to the inference that the new proprietors will endeavour to obtain a larger share of the produce in the shape of rent than has hitherto been enjoyed.

But it would seem to me that granting all other conditions fulfilled, one cause alone, mentioned incidentally in paragraph 4 of the Board's letter, is fatal to the idea of a standard rate, and that is, the fall in the value of the precious metals. It is scarcely necessary to say that the diminished value of money is a marked feature of modern times, and the change within the last 20 years has been very rapid. Whatever may be the cause of this, there are no signs of the cessation of the tendency, and it is not improbable that the highest rate which could be fixed now would become a very moderate one in another quarter of a century. While the causes which produce this state of things are at work, it would seem to me a deliberate surrender of income on the part of the State to limit its future demands by the fixation of an immutable rate.

To sum up, I do not think that there is anything to show that prices have reached their limit, and there is strong reason for thinking that they have not hitherto had an adequate effect on rents.

3. QUESTION 2.—*Is a Permanent Settlement—based on adequate rates of rent, and subject to the condition of a rateable increase of revenue in proportion to the increase of prices—expedient?*

My own opinion is strongly adverse to such a mode of Settlement.

In a vast country like India, where there are many districts with means of communication with the outer world in a very rude state, a rise in prices has not the same meaning in all Districts. In a District like Allygurh, adequately irrigated, and therefore to a great extent independent of the variations of season, with a railway passing through its heart, and accordingly able on the one hand to receive, on the other to distribute, produce, high prices, for a long time at least, represent prosperity to both landholder and tenant. The latter is able to pay a higher rent without inconvenience, and the former, in consequence, a heavier revenue. In the years of scarcity, 1868-69, I was constantly travelling about the District, and the common remark of the *zemindars* was that to them this scarcity was as good as a "*Summut*," or year of abundance. But in a district like Ajmere, for instance, a very different feature would be presented. Communications are there few, or altogether wanting, and irrigation is rare. High prices there will mean, not as in Allygurh, perhaps a *twelve-anna* harvest and double prices for the produce, but no harvest at all, an absolute deficiency of grain, and an inability therefore to pay any revenue at all. Supposing the principle to be established, and the system at work, we might perhaps apply it to Allygurh without much danger at the time—the attempt would be futile in Ajmere, for the difficulty would be to collect the old and lighter demand.

The supporters of the system have, I am aware, recognized the necessity of excepting years of famines and excessive scarcity from the calculation, when striking their average of prices. But who is to be the judge of what constitutes a year of scarcity and what does not? Each district officer would probably have his own opinion, and undue loss to the State or undue loss to the proprietor might accrue as the case might happen.

Again the capacity to pay a high revenue depends entirely on the capacity of enforcing a high rent. Suppose two such periods as those of which I have given the statistics in my Rent-rate Report on Tehseel Hattrass. I have there detailed the prevailing prices from 1849 to 1858, and from 1859 to 1868, and have shown that in the latter decade, as compared with the former, there was a rise of 76 per cent. in the price of wheat, 79 in that of barley, 74 in that of bajra, and 66 in that of jowar. I assume for the moment that a revision would take place every ten years, and in accordance with these figures, a rise of 50 per cent. at least in revenue, perhaps more, would be determined upon—*i.e.*, every zemindar would be called upon to pay Rs. 150 where he was paying Rs. 100, and he in turn would call upon every cultivator to pay him Rs. 300 in place of the Rs. 200 paid before the adjustment of the revenue. *I know of no portion of this district where such a demand, if made good, would not be fatal. The cultivators simply could not pay it. Rent adjusts itself slowly to the rise of prices, and by a natural and not a forced process.* By fixing very long periods the danger might perhaps be diminished, but it would not be removed.

Again, in Hattrass, prices fell between 1849 and 1858 as compared with the average of the decade between 1839 and 1848, while in this decade there had been a rise over the average of the previous ten years. The revenue would have been raised in 1848 with reference to the rise in the preceding decade, and the *zemindars* would have been called upon to pay a heavy revenue during a reign of low prices. The result would be confusion, and in such a case the longer the periods between the revisions, the greater the probability of injury to the people. Prices, it is quite possible, may rise for 30 or even 40 years, and may then slowly fall for the same period, and the high revenue would be payable when there was diminished capability of paying it.

TEMPORARY SETTLEMENTS.

4. QUESTION I.—*Is the present standard of assessment at* 50 *per cent. of the rental assets inadequate, and is the share of rental assets at present left to proprietors excessive?*

In our present settlements it is true that the assessment of pure revenue is fixed at 50 per cent. of assets, but the proprietor has, in fact, to pay much more than this

to the State; the proportion which after deduction of all charges remains for his own personal use is much less than 50 per cent. Besides pure revenue, he has to pay 5 per cent. of rental assets for cesses; 2½ at least, in some cases 3, for the *putwaree's* fund; and in villages where *lumberdars* are remunerated, 2½ more per cent. is taken for the requisite fees. So that in some cases the proprietor receives 42½ or 42 per cent., in others only 40 or 39½ per cent. of assets, and out of this of course all village expenses must be paid.

At last Settlement in this District the proportion actually left to the proprietor varied in each *tehseel*. In Atrowlee the revenue was assumed at 67¾ per cent. of assets. In Iglas at 68, in Koil at 70 (with the exception of the small *pergunnah* of Burowlee, where 67 was taken) in Khyr at 70, in Secundra at about 69 on the average, in Hattrass at 70*. On the average the amount taken as pure revenue was 69 per cent., and thus 31 per cent. was left to the proprietor.

The only cess levied rateably was the road cess at 1 per cent. *Putwaree's* pay and *chowkeedar's* fees were not apparently fixed at any regular percentage. On the average the former represented a further deduction of about 2½ per cent. from the assets, the latter of about 1½ in all. 5 per cent. more was deducted, or about 26 per cent. left. Ultimately other cesses were included, but meanwhile probably assets had also increased.

The difference therefore between the proportion levied now and that taken at last Settlement is in some cases only 14 per cent., in others 16½.

How the expiring Settlement worked has been shown in detail in my various rent-rate reports, and its history is contained, briefly enough, in the Transfer Statements supplied for the purposes of this report, which should be examined.

1. In Atrowlee, where 70 per cent. of rental assets was assumed as revenue, one-half of the proprietary rights changed hands during the Settlement.

In Gungheeree, a pergunnah of Atrowlee *Tehseel*, one-third were transferred.

2. In Koil, where, with the exception of *Pergunnah* Burowlee containing only about 30 villages, 70 per cent was taken, the Settlement resulted in the alienation of 71 per cent. of the old proprietors' interests.

3. In Iglas 52·6 of the whole area was transferred.

4. In Khyr 38 per cent. has been alienated permanently, 9 per cent. is still in mortgage.

5. In Hattrass the old proprietors have lost permanently 54¼ per cent. of their land; and 11½ per cent. is in mortgage or farm, for the most part hopelessly. Only 34 per cent.† is in hands of the men whose families held it at last Settlement.

6. In Secundra, the most prosperous of all the sub-divisions, 30 per cent. only has been permanently alienated, but 23·6 is still in mortgage and 1·4 in farm.

The total area was calculated at 11,90,118 acres, and out of this as much as 4,12,095 acres, or 34 per cent., was transferred by various processes in the first ten years after the Settlement was fixed.

In my report on Hattrass especial attention was paid to this point, and I think I have shown that it was not the rent-rate adopted which was heavy; and I think this may be said of most of the other *tehseels* also. The rates varied but were very high nowhere. In Atrowlee the rent-rate was only Rs. 2-11-2¾ per acre, with 52 per cent. of irrigation; in Koil Rs. 2-15-11 with 66½ per cent. of irrigation; in Iglas it was a little higher, Rs. 3-7-6 with 63 per cent. irrigation; in Secundra Rs. 3-0-8 with 61; in Khyr Rs. 2-15-11 with 40 per cent. The Settlement Officer in other words did not over-

* This only represents the average which was taken by Government; large numbers of villages were assessed at 80 per cent., and of this 18 per cent. went to the Talookadars. This is not included here.

† Most of this belongs to Rajah Teekum Singh.

estimate the actual resources of the *tehseel*. It was the proportion of assets which was taken as revenue which crushed the proprietors. Calculating the *Talookdaree* allowances, this proportion was larger in Hattrass than in any other sub-division, and it will be noted that this *tehseel* suffered most severely. With the exception of Secundra, which was very lightly assesed, Khyr suffered least, most probably because it contained a larger portion of culturable area, not then cultivated, but which could be brought into use.

It will be acknowledged that the revolution of property has been enormous, and yet the rent-rates assumed were certainly not excessive. The cause of the severe pressure of the revenue seems to me to lie in the fact that in this District on the whole, there was no great margin of culturable land left, and that therefore while prices and rents remained low, the profits of the *zemindar* were not enough to keep him out of debt. The increase in cultivation throughout the district during the 30 years of Settlement has only been 6·9 or nearly 7 per cent. The increase has been greatest in Atrowlee and Khyr, where it has been 11·3 and 9·2 respectively, and in these two *tehseels* there is still a margin, of 20·8 per cent. in the former, 16·1 in the latter. Among the other four *tehseels* the highest increase has been 5·8 in Secundra, in Koil it has been 5½, in the other two less than 5. In these *tehseels* cultivation has now reached its maximum, and little enough for the pasturage of cattle remains. The figures are 9·8 for Koil, 5·5 for Iglas, 5 for Hattrass, and 7·7 for Secundra Rao.

My conviction is that, except in districts where there was a wide margin of culturable land, any percentage of assets so high as 69 or 70 per cent. was too much to take as the share of the State. And I hold the same opinion of a 66 per cent. assessment; the difference of 3 per cent. would not be enough to ensure safety to the proprietors.

As regards the last question, whether discretion should be given to the Settlement Officer to deduct more than 50 per cent. of the assets in large *Talookas*, I hold that such a measure would cause the gravest discontent. At last Settlement in this district, Mr. Thornton, who held views anything but favorable to large owners, thought it expedient to pursue a policy exactly the reverse of this. He allowed the *Talookdars* of Atrowlee a larger percentage of assets than he surrendered to the smaller proprietors, and from Rajah Teekum Singh and other *Talookdars* in Hattrass, he deducted only 70 per cent., when he took 80 from the village communities. I admit this in the present day seems a little unreasonable, but a contrary policy would, I feel certain, tend to cause serious uneasiness among a number of powerful families who are in the main attached to our rule. They would begin to believe that our Government had but resorted to the old principle of levying taxes, not on one equal standard and in an equal proportion from rich and poor, but from the rich, simply because they were rich. Moreover, my experience does not lead me to think that the large proprietors, as a rule, are rich men. To one really affluent proprietor there are half a dozen comparatively poor, and most are in debt. Apart from the *bunneeah* and *mahajun*, proprietors who do not owe their wealth to land, I know of very few rich *zemindars* in this district.

In any case, I think that the small additional revenue we should gain from a departure from our present equal method of assessment would not compensate the general heart-burning and sense of wrong our novel procedure would cause.

Of course it might be argued that Mr. Thornton treated different classes unequally at last settlement, and yet no discontent resulted. Why then should bad feeling now be caused? To this it may be answered that the proportion of assets taken before last settlement was so large, generally up to 90 or 95 per cent., that when Mr. Thornton fixed anything like 70 or 67, or 62, per cent., the reduction appeared in the light of a great relief, and men judged by the general result more than by particular detail; but things are different now, our proceedings are jealously watched, and we have undertaken to exact 50 per cent. from all alike. The promise will undoubtedly be remembered against us, and if the engagement be tampered with, accusations of bad faith will not be wanting.

5. QUESTION II.—*Does the operation of the Rent Law result in restricting the full demand of Government?*

Comment on this point is almost unnecessary in view of the new Revenue Code which is now being discussed in Calcutta, and which, if passed, will remove the difficulties under which Settlement Officers unquestionably labor. There can be no doubt that the present Rent Laws are in their nature restrictive. While it must be admitted that in this District we have until very lately been able to work these laws with great success, yet our good fortune has been entirely due to the fact that the Judge who heard our appeals took unusual pains to make himself thoroughly acquainted with the conditions of rent existing in the district, and with our system of fixing rents, before deciding any cases. He was thus enabled to start with almost the same knowledge that the Settlement authorities possessed, and fortunately has no prepossessions in favor of any particular course of action. The result was that our first cases were almost uniformly upheld, and appeals at last became comparatively few in number. But this was a mere matter of chance, and was not due to the law itself. I am persuaded that if a Settlement Officer were made a Judge in a District he had settled, and had thus become intimately acquainted with all facts bearing on existing rents, he might so work those facts as to stop all enhancements whatever on tenants with a right of occupancy, and yet keep within the law. If those presiding over the Civil Courts, with theories in favor of low rents only had the requisite knowledge, they could do the same, and unless we are to run the risk of keeping rents stationary over perhaps half the area of a District, all possibility of this happening should be removed.

Judging from an experience of numerous cases of enhancement decided in this District before settlement operations commenced, my opinion is that as a rule even ordinary Revenue Courts have no knowledge whatever of the productive qualities of various soils, or of the rents they are actually paying or might fairly be called upon to pay. Yet the Revenue Officers have opportunities of seeing and becoming acquainted with the circumstances of their Districts which the Civil Courts cannot pretend to. If the Revenue Courts fail to do justice in this particular, much more likely are the Civil Courts to be liable to error.

The fact is that anything like an equitable adjustment of rents demands a special knowledge, and the Settlement Department consists of a body of officers specially appointed to acquire this knowledge; it seems manifestly absurd to subject their decisions to revision or reversal by Courts which, as a rule, are totally ignorant of the subject-matter of the cases before them.

That this liability to revisions acts as a check on over-assessment would seem very doubtful. The Settlement Officer in fixing rent-rates acts on broad principles, the reasons for which he has to give in very full detail before applying the principles in practice. Cases must be very rare in which the probable action of the Civil Courts would be taken into consideration. In fact, their procedure is so uncertain and so entirely dependent on the views of the individual Judge presiding at the time, that it would be waste of time to lay much stress on the possible effect of their rulings.

While, therefore, I do not consider that the rent-laws much affect the demand of Government, I hold strongly that their action may be, and probably often is, to lessen the fair profits of the landowner. The Settlement Officer may fix what are really perfectly fair rates, and the State will get its due ; the proprietor, however, may have to go to another authority to obtain his fair share, and this may be denied him.

The new Revenue law by extending the powers of Settlement Officers and by barring the Civil Courts from cognizance of rent suits adjudicated at time of settlement, does all that is needed. It leaves rent cases to be decided by, and appealed to, the authorities who alone have special knowledge of the points at issue, and whose judgment is formed on fixed principles familiar to the department.

6. QUESTION III.—*The extent to which enhancement of rent-rates beyond the prevailing standard is, or may be safely assumed as, a basis of assessment.*

The Settlement Officer's limit is at present nominally "existing assets." He is to assess at 50 per cent. of "existing assets;" but a perusal of the various rent-rate reports

published in the *Revenue Reporter*, is enough to show that this term undergoes a very liberal interpretation. A Settlement Officer does, indeed, take existing assets as a basis. His enquiries in every *pergunnah* discover for him certain villages where rents are brought up to what his general experience and a sufficient number of instances lead him to believe is a fair and adequate standard; these villages, however, generally cover but a small portion of a tract, and his assessment assumes that rents generally in the *pergunnah* will rise to a level with the standard he has adopted. He assesses with reference to a prospective rise in rents, but then he has a firm basis on which to found his anticipation; he has actual facts to go upon, and though at the time the new revenue is given out, it represents generally much more than 50 per cent., yet rents adjust themselves or are adjusted in Court almost immediately after.

Where the basis of fact is rigidly adhered to, and the Settlement Officer does not exceed rates which he finds actually paid over a certain area, sufficiently large to supply grounds for a judgment, there seems to me no danger in the process described. It is in the landowner's power, as far as the present rent laws will allow him, to make the new assessment one of 50 per cent. of assets. But if once the ground of fact be relinquished, we are no longer making a half asset assessment. The proportion taken will be only limited by the views of the individual assessing officer. I have before stated that I believe both prices and rents will rise in this District, and have given several reasons for the belief, but it would be wholly impossible to define either the extent or the rapidity of the expected rise. Meanwhile a mistake in judgment might ruin a District.

Moreover, on general grounds, such a procedure would not seem justifiable. The State has undertaken to take only 50 per cent. of assets. To take more, on what must be to a certain extent a vague prospect of an increase in assets, would scarcely be consistent with the express promise of Government.

Statement D. shows the rise which it has been assumed will take place in rents in the various *tehseels* of the Allygurh District after assessment, but it must be remembered that this rise is assumed on the basis of rents found existing and already exhibiting a similar increase, and is therefore within the limits of safety. Throughout the *district* this assumption amounts to 25·8 per cent. or a little more than four *annas* in every *rupee* of rent.

7. QUESTION IV.—*The expediency of leaving assessments open to enhancement or readjustment during a term of temporary assessment, in consequence of the diminished value of the precious metals, or other causes.*

The principle of the 30 years' settlements now in force was the limitation of the State demand for a certain long period of years. Settlements for short times had been found harassing to the people and injurious to the interests of the State. So long ago as 1815 their disadvantages had been discussed and the system condemned, and at last Government bound itself for 30 years to exact no more from the land than the amount fixed at the commencement of the term. The object of this longer term was to create a valuable property in land. It allowed the *Zemindar* to take advantage of all increase in the produce brought about by his own capital or labor, as well as of any enhancement of the *value* of produce, which might be caused by any external circumstances.

This object has been generally attained. Property in land has largely increased in value. It is now thoroughly understood by the people that the new Settlements are to be continued for the same term, and a general feeling of security and contentment is the result. Such a readjustment as that suggested, except so far as canals are concerned, would, I think, be viewed as a direct infraction of the principle of the 30 years' term of Settlements. Practically every change in the demand would be a new Settlement—either a Settlement at short fixed intervals, or, if the term suitable for a readjustment were left to the will of Government—what is worst of all, a Settlement at uncertain intervals. Evils similar to those resulting from yearly Settlements would follow. Mr. Thornton has remarked that "so long as the worth of land is left dependent from year to year on the pleasure of Government its value must be uncertain and

cannot be great. Land would become depreciated in value, a sense of insecurity would attach to its possession, and whatever might be the abstract justice of the measure, the feeling of the country would be that we had broken faith."

If it be meant that the effect of such causes as those enumerated in para. 25 of the Government letter, is to be gauged by such prices as may obtain from time to time, then the same objections which I have endeavoured to show apply to the application of this rule in a Permanent Settlement, hold good with as much force or more in the case of a Temporary Settlement; if it be intended that the actual bearing of each cause on a rise in rents should be investigated and discovered, the idea seems to me a hopeless one. It would be impossible to separate and define conditions so inextricably interwoven.

I do not think the case of increased irrigation from the canal would be viewed in the same light by the people. They are fully aware that canals are made at the expense and risk of the State, and they see clearly that the proprietor experiences an immediate and tangible advantage from them in the shape of the difference between the former dry and the present wet rate which he exacts from the tenants. I concur in the advisability of the "additional acreage rate" formerly advocated in 1865.

The question, whether this rate should be applied to land formerly irrigated from wells, or only to land originally unirrigated, is a difficult one. Secundra Rao is the tehseel in which there is the largest area of canal-irrigated land in the district, and in Hattrass there is practically no canal-irrigation, yet the rate adopted for assessment purposes in the latter on outlying irrigated is Rs. 5 per acre as opposed to Rs. 4-12-0 in Secundra Rao. But then my assessment is based on existing rates in both tehseels, and the difference is probably owing to the fact that rents are, as a rule, higher in Hattrass because the revenue has always pressed heavily. In a few special villages in Secundra, where rents have been unimpeded, I have indeed found higher rates existing on canal-irrigated land than anywhere on the well-irrigated land of Hattrass. But as yet I do not think that rents are sufficiently developed, or that competition has had sufficient play, to admit of the assertion that rents in general on canal-irrigated land are higher than in well-irrigated. For the present, therefore, at least, I would limit the application of the rates to land which was formerly unirrigated and not extend it to all canal-irrigated.

The following statements accompany this report :—

I.—Statements of Prices—A1, A2, A3, A4, A5, A6, A7, A8.

II.—Transfer Statements—B1, B2, B3, B4, B5, B6.

III.—Comparative Statements of former and present areas—C1, C2.

IV.—Rental Statement—D.

STATEMENT A1.—*Tehseel Secundra Rao.*

Produce.	Average price from 1246-55.	Average price from 1256-65.	Percentage of rise or fall over 1st Decade.	Average price from 1266-75.	Percentage of rise over 1st Decade.	Percentage of rise over 2nd Decade.	Average price from 1246-64.	Average price from 1265-75.	Percentage of rise.
	M. s. c.	M. s. c.	Fall.	M. s. c.			M. s. c.	M. s. c.	
Wheat,	0 36 11 3/5	0 39 14 2/5	8·	0 28 1 3/5	30·73	42·09	0 38 4	0 29 1	31·61
Gram,	0 39 6 2/5	1 8 0	17·97	0 29 1 3/5	35·48	65·16	1 3 10 1/4	0 30 1	45·11
Barley,	1 11 14	1 21 1 1/5	16·05	0 38 5 3/5	35·39	59·38	1 16 2/5	1 0 12	37·42
Jowar,	1 6 14 2/5	1 18 8 3/5	19·88	0 26 4/5	80·29	125·	1 12 13	0 28 3	87·36
Bajra,	1 4 0 Rs. per maund.	1 17 9 2/5 Rs. per maund.	23·57	0 26 2/5 Per maund.	69·23	121·39	1 10 13 Rs. Per Maund.	0 28 3 Rs. Per maund.	80·26
Cotton,	7 0 6 3/5	6 14 7 1/5	1·71	14 8 2 2/5	106·51	109·94	6 13 10	14 0 2	104·09

STATEMENT A2.—*Tehseel Iglas.*

Produce.	Average price from 1246-55.	Average price from 1256-65.	Percentage of rise over 1st Decade.	Average price from 1266-75.	Percentage of rise over 1st Decade.	Percentage of rise over 2nd Decade.	Average price from 1246-64.	Average price from 1265-75.	Percentage of rise.
	M. s. c.	M. s. c.	Fall.	M. s. c.			M. s. c.	M. s. c.	
Wheat,	0 31 2	0 35 7	12·17	0 22 6	39·1 Fall.	58·37	0 33 6	0 25 11	29·92 Fall.
Gram,	0 30 0	1 8 9	38·23	0 33 0	9·1	47·15	0 36 8	0 37 8	2·7
Barley	...	...	...	...	...	...	...	...	...
Jowar,	...	...	...	...	...	...	...	...	...
Bajra,	...	...	...	...	...	...	...	...	...
Cotton,	...	...	...	...	...	...	...	...	...

STATEMENT A3.—*Tehseel Hattrass.*

Produce.	Average price from 1246-55.	Average price from 1256-65.	Percentage of rise or fall over 1st Decade.	Average price from 1266-75.	Percentage of rise over 1st Decade.	Percentage of rise over 2nd Decade.	Average price from 1246-64.	Average price from 1265-75.	Percentage of rise.
	M. s. c.	M. s. c.	Fall.	M. s. c.			M. s. c.	M. s. c.	
Wheat, ...	0 29 5	0 37 11	22·3	0 21 5	37·53	76·83	0 32 13	0 23 3	41·5
Gram, ...	0 29 8	1 0 2	Fall. 26·48	0 30 0	Fall. 1·7	33·75	0 34 13	0 32 0	8·78
Barley, ...	1 1 8	1 10 0	Fall. 17·	0 27 14	48·87	79·37	1 6 5	0 29 14	55·02
Jowar, ...	0 36 15	1 0 8	Fall. 8·8	0 24 5	51·92	66·58	1 2 12	0 30 5	41·03
Bajra, ...	0 35 0	1 3 3	Fall. 18·96	0 24 13	41·05	74·05	0 38 14	0 26 13	44·98
Cotton, ...	...	...	...	...	...	...	...	...	...

52 sc

STATEMENT A4.—*Tehseel Koil.*

Produce.	Average price from 1246-55.	Average price from 1256-65.	Percentage of rise or fall over 1st Decade.	Average price from 1266-75.	Percentage of rise over 1st Decade.	Percentage of rise over 2nd Decade.	Average price from 1246-64.	Average price from 1265-75.	Percentage of rise.
	M. s. c.	M. s. c.	Fall.	M. s. c.			M. s. c.	M. s. c.	
Wheat, ...	0 32 4	0 37 12	14·57	0 19 0	69·73	98·68	0 35 0	0 20 3	73·37
Gram, ...	Average for 8 years. 0 34 4	1 1 8	17·47	Average for 9 years. 0 20 14	64·07	98·8	Average for 17 years. 0 37 14	Average for 10 years. 0 27 15	35·57
Barley, ...	1 2 12	1 11 15	17 69	0 25 15	64 81	100·24	1 3 2	0 23 5	84·98
Jowar, ...	Average for 2 years. 0 34 8	Average for 8 years. 0 1 4 10	20·47	Average for 8 years. 0 26 3	31·74	70·4	Average for 9 years. 1 4 5	Average for 9 years. 0 26 5	68·4
Bajra, ...	Average for 2 years. 0 14 0	Average for 8 years. 1 2 1	66·72	0 23 5	Fall. 39·95	80·42	Average for 9 years. 0 37 8	0 23 11	58·31
Cotton, ...	...	...	...	...	...	...	...	...	...

STATEMENT A5.—*Tehseel Khyr.*

Produce.	Average price from 1246-55.	Average price from 1256-65.	Percentage of rise or fall over 1st Decade.	Average price from 1266-75.	Percentage of rise over 1st Decade.	Percentage of rise over 2nd Decade.	Average price from 1246-64.	Average price from 1265-75.	Percentage of rise.
	M. s. c.	M. s. c.	Fall.	M. s. c.			M. s. c.	M. s. c.	
Wheat, ...	1 0 8	1 1 0	1·22	0 29 10	36·7	38·39	1 1 4	0 29 12	38·65
Gram, ...	1 5 10	1 10 10	9·83	0 37 12	19·2	34·1	1 5 11	0 38 14	17·52
Barley, ...	1 13 0	1 19 2	10·36	1 0 7	31·06	46·21	1 11 11	1 2 11	21·08
Jowar, ...	1 7 0	1 14 8	13·77	0 33 9	40·03	62·38	1 6 11	0 35 1	33·15
Bajra, ...	1 2 8	1 11 0	17·66	0 31 4	36·	63·2	1 6 3	0 34 5	34·6
Cotton, ...	0 19 8	0 21 4	8·24	0 10 7	82·03	103·59	0 20 14	0 10 6	101·2

STATEMENT A6.

Name of produce.	Prices during the year July, 1868—June, 1869.												Total.	Average price for 8 months.
	July, 1868.	August, 1868.	September, 1868.	October, 1868.	November, 1868.	December, 1868.	January, 1869.	February, 1869.	March, 1869.	April, 1869.	May, 1869.	June, 1869.		
		M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.
Wheat, ...	...	0 21 0	0 15 0	0 15 0	0 12 8	0 13 0	0 14 8	...	...	0 13 8	0 14 0	...	0 118 8	0 14 13
Gram, ...	...	0 26 0	0 17 0	0 17 0	0 14 0	0 14 0	0 17 8	...	...	0 13 8	0 13 8	...	0 132 8	0 16 9
Barley, ...	...	0 28 0	0 18 0	0 18 8	0 15 0	0 15 0	0 16 8	...	...	0 18 0	0 18 8	...	0 147 8	0 18 7
Jowar, ...	...	0 16 0	0 15 0	...	0 13 8	0 14 0	0 15 8	...	...	0 13 0	0 13 0	...	0 100 0	0 12 8
	per md.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.			Rs. a. p.	Rs. a. p.		Rs. a. p.	Rs. a. p.
Cotton, ...	...	19 0 0	18 12 0	18 0 0	20 0 0	19 7 0	19 14 0	...	...	20 10 0	20 10 0	...	156 5 0	19 8 7½

For the blank months no list of prices was received by the *Government Gazette* from the Allygurh District.

STATEMENT A7.

Name of produce.	Prices during the year July, 1869—June, 1870.												Total.	Average price for 11 months.
	July, 1869.	August, 1869.	September, 1869.	October, 1869.	November, 1869.	December, 1869.	January, 1870.	February, 1870.	March, 1870.	April, 1870.	May, 1870.	June, 1870.		
	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.
Wheat, ...	0 12 8	0 12 0	0 11 8	0 11 0	0 10 0	0 8 8	0 9 0	0 10 0	0 12 8	0 18 0	...	0 16 10	3 11 10	0 11 15
Gram, ...	0 12 8	0 11 0	0 11 0	0 11 0	0 10 0	0 8 0	0 9 0	0 10 0	0 15 0	0 18 0	...	0 15 14	3 11 6	0 11 15
Barley, ...	0 16 0	0 16 0	0 15 8	0 16 8	0 17 8	0 16 0	0 16 0	0 18 0	0 24 0	0 26 0	...	0 24 6	5 5 14	0 18 11
Jowar, ...	0 8 0	0 11 0	0 16 0	0 16 0	0 22 0	0 21 0	0 22 0	0 20 0	0 24 0	0 22 0	...	0 20 4	5 2 4	0 18 6
Bajra, ...	0 9 0	0 10 0	0 14 0	0 18 8	0 18 8	0 17 0	0 19 0	0 19 0	0 18 0	0 16 0	...	0 17 4	4 16 4	0 16 0
Cotton, ...	Rs. a. p. 23 0 0	Rs. a. p. 24 8 0	Rs. a. p. 22 14 0	Rs. a. p. 18 13 6	Rs. a. p. 22 4 0	Rs. a. p. 22 4 0	Rs. a. p. 22 8 0	Rs. a. p. 20 0 0	Rs. a. p. 22 2 0	Rs. a. p. 22 8 0	...	Rs. a. p. 27 8 0	Rs. a. p. 248 5 6	Rs. a. p. 22 9 2

STATEMENT A8.

Name of produce.	Prices during the year July, 1870,—June, 1871.												Total.	Average price for 9 months.
	July, 1870.	August, 1870.	September, 1870.	October, 1870.	November, 1870.	December, 1870.	January, 1871.	February, 1871.	March, 1871.	April, 1871.	May, 1871.	June, 1871.		
	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.	M. s. c.
Wheat, ...	...	0 22 0	0 22 4	0 22 14	0 23 8	...	0 25 0	...	0 26 8	0 28 4	0 26 0	0 28 4	5 24 10	0 24 15½
Gram, ...	...	0 18 12	0 21 2	0 20 0	0 19 0	[illegible]	0 21 0	...	0 21 0	0 30 0	0 27 0	0 28 0	5 5 14	0 22 14
Barley, ...	...	0 32 8	0 35 12	0 35 0	0 33 0	...	0 38 0	...	0 37 8	0 38 0	0 33 0	0 35 0	7 37 12	0 35 4
Jowar, ...	...	0 24 8	0 29 8	0 30 8	0 34 8	...	0 32 0	...	0 31 0	0 31 0	0 22 0	0 28 0	6 23 0	0 29 3
Bajra, ...	...	0 18 4	0 29 0	0 27 14	0 29 8	...	0 28 8	...	0 27 0	0 26 0	0 20 0	0 26 0	5 32 2	0 25 12
Cotton, ...	...	Rs. a. p. 20 0 0	Rs. a. p. 21 4 0	Rs. a. p. 16 6 0	Rs. a. p. 14 8 0	...	Rs. a. p. 14 8 0	...	Rs. a. p. 13 8 0	Rs. a. p. 12 0 0	Rs. a. p. 12 0 0	Rs. a. p. 13 8 0	Rs. a. p. 137 10 0	Rs. a. p. 15 4 8

For the blank months no list of prices was received by the *Government Gazette* from the Allygurh District.

STATEMENT B5.—*Transfers—Tehseel Koil.*

Transfer.	Area.	Jumma.	Value.	Average per acre.	Years purchase.
Private Sale, ...	13,019	16,036 0 0	1,01,419 0 0	7 12 7	6·3
Mortgage, ...	19,224	31,943 6 1	1,03,753 0 0	5 6 4	3·2
Auction by decree, ...	11,607	16,263 14 9	81,672 4 6	7 0 7	5·0
Total, ...	43,850	64,243 4 10	2,86,844 4 6	6 8 7	4·4
2ND TEN YEARS.					
Private Sale, ...	16,241	26,882 4 6	1,64,825 0 0	10 2 4	6·1
Mortgage, ...	22,538	31,094 7 4	1,86,457 10 6	8 4 4	5·9
Auction by decree,... ...	10,106	16,422 5 9	74,056 0 0	7 5 2	4·5
Total, ...	48,885	74,399 1 7	4,25,338 10 6	8 11 2	5·8
				Increase over 1st decade, 33 p. c.	Increase over 1st decade, 31 p. c.
3RD TEN YEARS.					
Private Sale, ...	29,263	45,041 6 9	4,21,825 14 0	14 6 7	9 3
Mortgage, ...	18,731	37,984 4 4	2,37,740 12 0	12 11 1	6·2
Auction by decree,... ...	14,560	25,131 4 9	1,28,456 8 0	8 13 1	5·1
Total, ...	62,554	1,08,156 15 10	7,88,023 2 0	12 9 6	7·2
Increase over 1st decade, ... 92 p. c.				Increase over 1st decade, 63 p. c.	
Ditto 2nd decade, ... 44 p. c.				Increase over 2nd decade, 24 p. c.	
Private Sale, ...	58,523	87,959 11 3	6,88,069 14 0	11 12 1	7·8
Mortgage, ...	60,493	1,01,022 1 9	5,27,951 6 6	8 11 7	5·2
Auction by decree,... ...	36,273	57,817 9 3	2,84,184 12 6	7 13 4	4·9
Total, ...	1,55,289	2,46,799 6 3	15,00,206 1 0	9 10 6	6·

STATEMENT B6.—*Transfers—Tehseel Hattrass.*

1ST DECADE.

Transfer.	Area.	Jumma.	Percentage of Area.	Percentage of Jumma.
Private Sale, ...	21,438	49,408 1 8	12·09	12·22
Mortgage, ...	33,067	76,651 7 5	18·65	18·96
Auction, ...	30,731	69,603 11 3	17·33	17·22
Total, ...	85,236	1,95,663 4 4	48·07	48·4
2ND DECADE.				
Private Sale, ...	20,666	47,430 6 0	11·65	11·73
Mortgage, ...	14,113	31,880 3 1	7·96	7·88
Auction, ...	21,634	51,646 11 4	12·2	12·77
Total, ...	56,413	1,30,957 4 5	31·81	32·38
3RD DECADE.				
Private Sale, ...	24,849	58,710 10 7	14·01	14·52
Mortgage, ...	16,929	38,530 12 0	9·54	9·53
Auction, ...	12,234	26,465 7 7	6·9	6·54
Total, ...	54,012	1,23,706 14 2	30·45	30·59
TOTAL.				
Private Sale, ...	66,953	1,55,549 2 3	37·75	38·47
Mortgage, ...	64,109	1,47,062 6 6	36·15	36·37
Auction, ...	64,599	1,47,715 14 2	36·43	36·53
Total, ...	195,661	4,50,327 6 11	110·33	111·37

STATEMENT B1.—*Transfers, Tehseel Atrowlee.*

1ST DECADE.

Mode of Transfers.	Area.	Jumma. Rs. as. p.	Value. Rs. as. p.	Average per acre.	Year's purchase.
Private sale, ...	13,412	15,097 10 10	95,964 0 0	7 2 5	6·3
Mortgage, ...	1,508	18,521 13 11	88,291 12 0	5 13 8	4·7
Auction, ...	26,508	31,931 0 11	1,80,643 10 2	6 13 0	5·6
Total, ...	55,001	65,550 9 8	3,64 899 6 2	6 10 1	5·5

2ND DECADE.

Private sale, ...	12,720	17,065 12 1	1,41,800 4 4	11 2 4	8·3
Mortgage, ...	7,050	6,956 2 11	37,985 0 0	5 6 2	5·4
Auction, ...	4,614	6,782 12 10	56,987 8 3	12 5 7	8·3
Total, ...	24,384	30,804 11 10	2,36,772 12 7	9 11 4	7·6

Increase over 1st decade, 46 p. c.
Ditto, 38 „

3RD DECADE.

Private sale, ...	10,706	13,209 9 8	1,51,007 13 0	14 1 8	11·4
Mortgage, ...	7,051	10,625 14 1	75,569 10 6	10 11 5	7·1
Auction, ...	6,657	7,394 12 4	54,056 10 8	8 1 11	7·3
Total, ...	24,414	31,230 4 1	2,80,633 2 2	11 7 10	8·9

Increase over 1st decade, 73 p. c.
Ditto 2nd decade, 18 „

TOTAL.

Ditto 1st decade, 61 „
Ditto 2nd decade, 17 „

Private sale, ...	36,838	45,373 0 7	3,88,772 1 4	10 8 10	8·5
Mortgage, ...	29,182	36,103 14 11	2,01,846 6 6	6 14 7	5·5
Auction, ...	37,779	46,108 10 1	2,91,687 13 1	7 11 6	6·3
Total, ...	1,03,799	1,27,585 9 7	8,82,305 4 11	8 8 0	6·9

STATEMENT B2.—*Transfers, Tehseel Iglas.*

1ST DECADE.

Mode of Transfers.	Area.	Jumma. Rs. as. p.	Price. Rs. as. p.	Average per acre.	Year's purchase.
Private sale, ...	5,016	10,779 0 0	23,796 0 0	4 11 10	2·2
Mortgage, ...	7,425	18,467 0 0	41,347 0 0	5 9 1	2·2
Auction, ...	12,860	28,541 0 0	97,880 0 0	7 9 9	3·4
Total, ...	25,301	57,787 0 0	1,63,023 0 0	6 7 1	2·8

2ND DECADE.

Private sale, ...	8,283	18,363 0 0	56,429 0 0	6 13 0	3·
Mortgage, ...	7,848	18,589 0 0	70,414 0 0	8 15 3	3·7
Auction, ...	8,437	18,673 0 0	99,426 0 0	11 12 6	5·3
Total, ...	24,568	55,625 0 0	2,26,269 0 0	9 3 4	4·

Rise over 1st decade, 42 p. c.
Increase over 1st decade, 42 „

3RD DECADE.

Private sale, ...	12,906	29,073 0 0	1,20,038 0 0	9 4 9	4·1
Mortgage, ...	10,954	24,748 0 0	1,39,758 0 0	12 12 1	5·6
Auction, ...	9,897	21,600 0 0	99,981 0 0	10 1 7	4·6
Total, ...	33,757	75,421 0 0	3,59,777 0 0	10 10 6	4·6

Rise over 1st decade, 65 p. c.
Ditto 2nd „ 15 „
Increase over 1st „ 64 „
Ditto 2nd „ 15 „

TOTAL.

Private sale, ...	26,205	58,215 0 0	2,00,263 0 0	7 10 3	3·4
Mortgage, ...	26,227	61,804 0 0	2,51,519 0 0	9 9 5	4·
Auction, ...	31,194	68,814 0 0	2,97,287 0 0	9 8 8	4·3
Total, ...	83,626	1,88,833 0 0	7,49,069 0 0	8 15 3	3·9

STATEMENT B3.—*Transfers, Tehseel Secundra.*

1ST DECADE.

Transfers.	Area.	Jumma.	Price.	Price per acre.	Year's purchase.
		Rs. a. p.	Rs. a. p.	Rs. a. p.	
Private sale, ...	8,910	14,561 0 0	62,024 0 0	6 15 4	4·2
Mortgage, ...	36,269	49,542 0 0	81,641 0 0	2 4 0	1·6
Auction, ...	10,054	15,088 0 0	42,132 0 0	4 3 0	2·7
Total, ...	55,233	79,191 0 0	1,85,797 0 0	3 5 9	2·3

2ND DECADE.

Private sale, ...	19,151	25,177 0 0	1,91,862 0 0	10 0 3	7·6
Mortgage, ...	19,195	25,583 0 0	98,062 0 0	5 1 8	3·8
Auction, ...	18,019	21,938 0 0	60,005 0 0	3 5 3	2·7
Total, ...	56,360	72,698 0 0	3,49,929 0 0	6 3 4	4·8

Increase over 1st decade, 84 p. c.
Ditto ditto, 108 „

3RD DECADE.

Private sale, ...	12,505	16,603 0 0	1,87,321 0 0	14 15 8	11·2
Mortgage, ...	27,922	36,289 0 0	3,57,767 0 0	12 13 0	9·8
Auction, ...	10,051	14,549 0 0	52,259 0 0	5 3 2	3·5
Total, ...	50,478	67,441 0 0	5,97,347 0 0	11 13 4	8·8

Increase over 1st decade, 252 p. c.
Ditto 2nd decade, 90 „
Ditto 1st decade, 282 „
Ditto 2nd decade, 83 „

TOTAL.

Private sale, ...	40,566	56,341 0 0	4,41,207 0 0	10 14 0	7·8
Mortgage, ...	83,386	1,11,414 0 0	5,37,470 0 0	6 7 1	4·8
Auction, ...	38,119	51,575 0 0	1,54,396 0 0	4 0 9	2·9
Total, ...	1,62,071	2,19,330 0 0	11,33,073 0 0	6 15 10	5·1

STATEMENT B4.—*Transfers, Tehseel Khyr.*

FROM 1246 TO 1255.

Transfers.	Acreage.	Jumma.	Price.	Average price per acre.	Year's purchase.
		Rs. a. p.	Rs. a. p.	Rs. a. p.	
Private sale, ...	10,640	15,473 2 4	95,897 3 6	9 0 2	6·19
Mortgage, ...	26,581	34,291 4 8	1,09,805 10 8	4 2 2	3·2
Auction, ...	15,018	23,039 15 1	76,969 1 1	5 2 0	3·34
Total, ...	52,189	72,804 6 1	2,82,671 15 3	5 6 7	3·88

FROM 1256 TO 1265.

Private sale, ...	12,202	16,570 13 9	97,082 7 10	7 15 3	5·85
Mortgage, ...	18,716	28,586 12 3	1,91,924 8 0	10 4 0	6·71
Auction, ...	7,291	12,371 15 8	49,911 6 1	6 13 6	4·
Total, ...	38,209	57,529 9 8	3,38,918 5 11	8 13 11	5·88

Rise over 1st decade, ... 63·9 Rise 51·54.

FROM 1266 TO 1277.

Private sale, ...	37,814	53,890 7 7	3,79,470 8 0	10 0 6	7·
Mortgage, ...	23,709	34,278 14 6	1,70,343 1 0	7 2 11	4·96
Auction, ...	18,349	30,219 14 4	1,20,186 1 0	6 8 9	3·97
Total, ...	79,872	1,18,389 4 5	6,69,999 10 8	8 6 2	5·65

Rise over 1st decade, ... 54·94 per cent. Rise 45·6.

FOR THE WHOLE TERM.—1ST DECADE.

Private sale, ...	60,656	85,934 7 8	5,72,450 4 0	9 7 0	6·65
Mortgage, ...	68,956	97,156 15 5	4,72,073 3 8	6 13 6	5·13
Auction, ...	40,658	65,631 13 1	2,47,066 8 2	6 1 2	3·76
Total, ...	1,70,270	2,48,723 4 2	12,91,589 15 10	7 9 4	5·19

STATEMENT C1.—*Comparative Statement of former and present Areas.*

Tehseel.	Period of Settlement.	Total Area.	Rent-free.	Barren.	Old Waste.	New Fallow.	Irrigated.	Unirrigated.	Cultivated.	Culturable.
Atrowlee, ...	Former, ...	219,578	1,864	...	...	...	70,424	64,538	134,962	...
	Present, ...	225,550	275	35,025	34,457	5,300	73,461	77,032	150,493	190,250
Koil, ...	Former, ...	214,427	5,014	46,881	...	...	96,006	48,042	144,048	...
	Present, ...	226,743	4,128	54,105	15,055	1,421	119,396	32,638	152,034	168,510
Iglas, ...	Former, ...	124,524	3,998	...	...	...	72,255	41,368	113,623	...
	Present, ...	136,678	2,110	10,004	5,634	1,219	89,617	28,094	117,711	124,564
Khyr, ...	Former, ...	257,825	3,826	...	...	...	69,779	100,963	170,742	...
	Present, ...	260,159	1,354	36,461	34,177	1,657	99,821	86,689	186,510	222,344
Hattrass, ...	Former, ...	...	...	...	...	...	...	...	139,829	...
	Present, ...	185,933	10,017	21,474	7,313	519	135,900	10,710	146,610	154,442
Secundra, ...	Former, ...	217,244	...	...	...	...	83,362	52,561	135,923	...
	Present, ...	215,808	1,247	57,665	12,131	866	130,983	12,916	143,899	156,896
Whole District, ...	Former, ...	...	...	...	...	...	...	...	839,127	...
	Present, ...	1,250,871	19,131	214,734	108,767	10,982	649,178	248,079	897,257	1,017,006

STATEMENT C2.

Tehseel.	Percentage of increase in cultivation.	Percentage of increase in irrigation.	Former percentage of irrigation to cultivation.	Percentage of irrigation to cultivation.	Present percentage of cultivation to cultivable.	Percentage of cultivable not cultivated to total culturable.	Percentage of old waste to culturable.	Percentage of new fallow to culturable.
1.	2.	3.	4.	5.	6.	7.	8.	9.
Atrowlee, ...	11·3	4·3	52·1	48·8	79·1	20·8	18·1	2·7
Koil, ...	5·5	24·3	66·6	78·5	90·2	9·8	8·9	·9
Iglas, ...	3·6	24·	63·5	76·1	94·4	5·5	4·5	1·
Khyr, ...	9·2	43·	40·8	53·5	83·8	16·1	15·4	·7
Hattrass, ...	4·84	...	...	92·69	94·92	5·07	4·73	·34
Secundra, ...	5·8	57·	61·	91·	91·7	8·3	7·7	·5
Whole District,...	6·9	...	...	72·3	88·2	11·7	10·6	1·07

STATEMENT D.

No.	Tehseel.	Assumed rentals of last Settlement.	Rent-rate.	Recorded rentals of present time corrected for seer.	Rent-rate.	Percentage of rise in rate over last Settlement rental.	Assumed rentals of new Settlement.	Rent-rate.	Percentage of rise on rate over present rental.	Percentage of rise on rate over last Settlement rental.
1	Atrowlee, ...	3,64,370 0 0	2 11 2	4,82,700 0 0	3 3 2	18·3	5,71,714 0 0	3 12 9	18·72	40·46
2	Koil, ...	4,31,913 0 0	2 15 11	5,34,557 0 0	3 6 6	13·7	7,07,310 0 0	4 10 5	36·54	58·3
3	Iglas, ...	3,94,082 0 0	3 7 6	4,28,891 0 0	3 10 3	4·9	5,69,690 0 0	4 13 5	34·33	39·48
4	Khyr, ...	5,11,699 0 0	2 15 11	5,97,931 0 0	3 2 5	5·21	7,82,417 0 0	4 3 1	33·05	40·
5	Hattrass, ...	5,66,694 0 0	4 0 10	7,28,651 0 0	4 12 10	18·5	8,34,375 0 0	5 11 0	18·43	40·35
6	Secundra, ...	4,13,955 0 0	3 0 8	6,62,923 0 0	4 7 9	47·43	7,72,017 0 0	5 5 10	19·62	76·36
	Whole District, ...	26,82,713 0 0	3 3 1	34,35,653 0 0	3 12 0	17·4	42,37,523 0 0	4 11 6	25·8	47·7

Report by G. H. M. RICKETTS, ESQ., C.B., *Officiating Commissioner of Allahabad Division,* (*No.* 11), *dated the* 8*th January*, 1873.

* * * * * * * * *

2. In reviewing Mr. Halsey's letter on this subject, I have given expression to many of my own opinions, as they were led up to by his treatment of the subject, but I wish, separately, and as briefly as I can, to state my own views on the points noted in the Government of India's letter; but I do not hope or expect to say a single word on the subject which has not been said already, and again and again, or that cannot be directly inferred from what has already been said in the mass of discussions which we have inherited. Much that is now advanced as new by our modern authorities, I believe, is old matter resuscitated.

3. I believe, to make a permanent settlement desirable or possible, without an arbitrary defiance of reason or disregard of consequences, there must be fair grounds for believing that permanence has been arrived at, in all that leads to income from the land. There must, then, if my view be right, be a belief amounting to certainty, on reasons given:

(1) That prices will not rise.

(2) That produce will not increase from any given area.

(3) That the limits of cultivation have been attained.

(4) That improvement in cultivation is impossible (this hangs on No. 2).

(5) That population will not increase, and so increase competition for land and raise rents.

(6) That population will not decrease by emigration and cause a reaction in rents.

(7) That public works will not be carried out of a reproductive nature.

(8) That the recent rise in prices is on a permanent basis, free from the possibility of reaction.

(9) That there can be no similar exciting cause again for any rise in prices.

(10) That we know already what the soil (of the standard different kinds) produces of the chief staples, under the various conditions of irrigation and dry cultivation.

(11) That increase of wealth from other sources will not increase rents, or income from land, or affect the prices of agricultural produce.

4. I cannot conceive that permanence has been attained in any one of the points I have mentioned, or that there are grounds for believing that permanence in any one of them may be expected, or that if it can be expected, that its limits can be assigned.

5. If this is admitted, what follows had better be omitted, up to the 31st paragraph.

6. In this belief, I think, it almost idle to discuss the possibility of a permanent settlement of our land revenue, and knowing how few and limited our other sources of revenue are, I think it would be a perfectly suicidal policy, a bar to all progress and improvement, if an arbitrary limit was assigned for ever to our most backward and most elastic source of revenue, and the one most easily supported by the country.

7. In recent letters to different departments, I have alluded to several of these subjects. We never hear what becomes of our letters. Whether our crude thoughts are ever considered, or whether they are set aside, or what becomes of them, and I am unwilling to recapitulate; still a few words are due on each of the points I have assumed as requisite in my belief for the basis of a permanent Settlement.

8. (1).—That prices will not rise. I believe the sudden rise in prices (as I have already reported) was owing to the great impulse given to trade in raw agricultural products by the sudden and unlimited demand for cotton. The demand for cotton has diminished, but its trade excited in parallel lines a trade in many other things, which appears to be more healthy and permanent than the cotton trade, so prices have not sensibly fallen; but the up-country cotton market was never in a more uncertain position than it is now, and reaction may be expected: and I believe we must reckon, whether we like it or not, on a very sensible diminution in the demand for Indian cotton, and therefore there will be less money to buy other things, and there will be a fall in prices generally.

9. But there is no reason that I can see, if Indian cotton is forced out of the market why some other staple should not take its place. A few years ago no one had ever heard of jute, nor did America until lately buy our linseed. Now the trade in the former is immense and there is no knowing now much the latter may increase, and I believe there is a great trade in the future in rhea and in silk.

10. I think, then, that prices may fall a little, and that they will rise again. I cannot venture to say more; but the prospect of the stability I believe to be essential as a basis for a permanent settlement is entirely wanting.

11. (2).—That produce will not increase from any given area, and that

(3).—Improvements in cultivation are impossible.

12. I believe the greater portion of all cultivated land has for years and years been reduced to the most exhausted condition. It cannot produce less than it now produces, nor can the quality be worse; both limits have been reached, for no manure or any fertilizing matter of any sort is supplied to the soil in return for what it yields. This must of course be the case where there is any tolerably good fresh land to be obtained and broken up. When this land is all brought into cultivation, then here as elsewhere endeavours will be made to render it more productive. I say, then, that cultivation with but few exceptions in these Provinces, only in the most advanced districts, has arrived at this the first step in its progress. In most districts this limit has not yet been attained. In the very best, the circle of manured land round the village has begun to extend; that is, some restitution is made to the exhausted soil: but this is only by natural process. There is no real outlay of money: capital is nowhere as yet applied to cultivation.

13. But though it is the tendency in forward districts for cultivation to improve, still everywhere the greater portion of the manure produced in the village is burnt as fuel. Mr. Buck has entered carefuly into this subject, and it has to my knowledge drawn the attention of other persons, independent of Government and engaged in trade and agriculture, who have studied the question, hoping for a double profit by substituting cheap fuel for the manure now used as fuel, and retaining the manure for its legitimate purposes. Inasmuch, then, as manure-burning decreases, by so much will the science of cultivation spread, and its results increase; and until this first step is general, until all good land is not only cultivated, but highly cultivated and manured, it will be impossible to say that any estimate beyond mere conjecture can be made of what the soil will produce; and no Government that is owner of the soil, and that relies on land revenue as its chief source of income can afford to sacrifice its share in the vast probable increase that improved cultivation will bring.

14. There should be no great difficulty either in substituting wood (or perhaps coke) for the manure now used as fuel. There is hardly a village in whose neighbourhood there are not ravines, or plains, or waste land, that would produce abundance of fuel sufficient for all the wants of a people who indulge in its use merely for cooking purposes, and but seldom can afford to use it, or require it for warmth or comfort.

15. Nor, considering how unchanged and unchangeable are the customs of the people, do I see that any one can venture to say that if this margin is sacrificed an equivalent increase may be expected from other sources, for we have not as yet been able to find these other sources. There are but six large items of Revenue. I refer to a Financial statement two years old, but it will answer my purpose. It shows :—

		Rs.			
Land Revenue,	...	2,10,80,000			
Opium,	...	79,50,000			
Salt,	...	58,80,000			
Stamps,	...	23,70,000	Total,	...	Rs. 41,99,20,000
Customs,	...	24,20,000			
Excise,	...	22,50,000			
Other Items,	...	87,10,000	Grand Total,		Rs. 50,70,66,000

16. Of these items, opium is precarious, and the price obtained is a forced one. The salt revenue is certain, and perhaps might be increased ; but the receipts from it and the other sources named, excepting land revenue, are so small actually that a very large proportionate increase would not yield any great actual amount. I believe we must, for very many years to come watch and foster our land revenue, as the only elastic source of revenue ; we cannot afford to sacrifice a single chance of increasing it, or progress and improvement must cease.

17. (4).—That the limits of cultivation have been attained. It seems almost superfluous to put on paper that as long as there is good fresh land available efforts will not be made to improve the cultivation of what is already under the plough. It is cheaper to break up good new land than to spend money on highly cultivating old land. It pays the poor, who have no capital and find their own labour, to break up even inferior land from which they can extract a living, and it follows that cultivation generally cannot improve, or rents rise generally from competition, until all culturable soil has been brought under cultivation. Of course, there are exceptions—a proprietor, whose land is in the heart of the village and who has brought all that belongs to him under the plough, will improve what he has sooner than go far for fresh land, for the distance makes the difference to him ; but these cases cannot be numerous in any village and do not shake the general principle.

18. A few years ago, I obtained a rule* from the Board of Revenue that the cultivated area in the North-Western Provinces was 23,833,929 acres, and the culturable 7,404,192 acres. The distribution, of course, is unequal, but it most apply to most districts, and to portions of almost all. None, then, have altogether emerged from the first primitive stage, which is left only when all fairly good land is occupied. There is a long course of agricultural progress before them before permanence can be attained in any of the points I have noted.

19. In all districts, also, there are large tracts of land, generally called *oosur* plans, impregnated with some deleterious salt, and which have hitherto been pronounced barren, and are unassessed; but there must be different degrees of this barrenness, and I am convinced experiments should be tried to reclaim them, to add to the productive area, to relieve densely populated tracts, to increase the Government Revenue. There should be irrigation, silting from canals, deep ploughing, draining, manuring with suitable manure, ploughing in certain vegetable products previously sown. By some of these means large tracts of land at present barren might be converted into corn producing land.

20. Until all these plans have been tried, I cannot think these lands should be condemned as hopelessly barren. These lands are not of very many different kinds, but their extent is immense, so the return from any successful experiment would be immense also. Nor do I see that the experiments need be costly, but they must be various, for none of us have any real knowledge on the subject.

21. It would be difficult to over estimate the boon these reclamations would be to many of our thickly peopled districts. I have had before me a Settlement Officer's report on one pergunnah in Mynpoory (and the state of affairs he describes is, with small modifications, common to whole districts in the Doab) where all culturable land, as far as our present limited knowledge of its capabilities goes, is under cultivation, and where just one half of the whole area is condemned as barren. The population is 600 to the square mile, that is every square mile of cultivation has to support 1,200 souls. I have reported on all this before, and on more than one occasion, and I have no wish to recapitulate; but it is easy to see that if this population goes on increasing, as it is certain to do, there must be great competition for land, there must be improvements in cultivation, or they must be eating each other out of house and home—and all this time, though they are not aware of it probably, they must be on the verge of short allowances of food, as a few figures will show.

22. Let the food of each soul be three-quarters of a seer a day. Let all the land produce good grain. Then, each acre must produce 13 maunds of grain a year—and I have made no allowance at all for seed grain, cattle food, waste, unfavourable seasons, or for land that does not produce food, but certainly 33 per cent. should be allowed for all those contingencies.

23. I say, then, that it is an imperative necessity for Government to provide some outlet for this excessive population. The necessity will be forced on Government, before long, and it would be as well to provide some outlet before the need actually forces itself into notice; and there can be no more suitable outlet than what reclamations of barren land would afford, the alternative being emigration to more thinly peopled tracts in our territories.

24. Believing that our most advanced districts are entering on this phase, I can see no prospect, even in them, of the stability I require for a permanent Settlement. There must be excessive competition, and then a reaction—both disturbing influences on rents and prices.

25. In the three or four last paragraphs I have disposed of the 5th and 6th points relating to the probable fluctuations in population.

26. (7).—That public works of a productive nature will not be carried on. It may be assumed as certain that public works of this nature will proceed, if for no other reason, simply because we cannot afford to dispense with them. Para. 10 of the Secretary to North-Western Provinces Government letter, referring to para. 31 of the letter from the Secretary to Government of India, endeavours to show that an essential difference exists between the effects of railways and canals, one increasing produce and the other prices; but there is a defect in the reasoning in this criticism. It is necessary to go further, and see whether they do not both affect the income from the land, or, as the Government of India puts it, whether they will not equally affect the value of the land. Now, a canal only affects the value of the land by increasing its produce, if that extra produce can be removed and sold, and this the railway does. If the land did not provide produce, the railway could not exist; the canal increasing that produce helps the existence of the railway. The railway does not increase prices as a rule, for every grain dealer will tell you that it equalizes them; the fact is, canal and railway act and re-act on each other in so many different ways, that it is impossible in such a question as this, to separate them—they both lead to the same result, they add to the value of land wherever they reach, and that is all that this present discussion attempts to consider.

27. I am certain, though, that it takes a long time fully to develope this increase in value, and the increase spreads far away from the actual line of either railway or canal. It would be impossible to assign any limit, beyond a conjectural one, to what this increase in value may be. Until it can be said that there shall be no more canals

or railways. There must always be a saving clause in any permanent settlement, permitting an increase of assessment should any productive work be carried out within reach of the otherwise permanently settled districts.

28. (8).—That the recent rise in prices is on a permanent basis, and that there is no chance of a reaction.

The permanency of present prices I have already discussed. I believe in no such thing as permanency in prices; I believe every thing that rules these prices is in a state of transition.

29. (9).—That there can be no similar exciting cause again forcing up prices. A fresh demand for cotton, or for any new staple, as rhea or jute, or a season of famine, or a continuance of successful trade, must send up prices. Whatever increases wealth, from any source, must find its way down to agricultural products keeping, up their prices and affecting rents.

30. (10).—That we know already what the soil of many different kinds produces of the chief staples under various conditions of irrigation or dry cultivation. It seems needless to discuss this point, for, as a fact, it is well known that our knowledge on this point is very limited. Experiments are being now conducted to obtain this most necessary information, (which I believe to be the most important knowledge of all,) as the only sure guide in conjunction with prices to enable our Settlement Officers to decide what rents are just, and what revenue the land should yield. There are as yet no published data of any value on this subject. Some Settlement Officers have paid attention to the matter, others affect to despise it; I do not myself see how they can test the rents they find without this knowledge. It is certain no landlord or farmer in England can succeed without most accurate knowledge on this subject, and I do not see how we can dispense with it here. It is the most important point of all to ascertain before any permanent settlement can be thought of. The principle on which the Punjab Settlements are made recommends itself to me before all others, for it is based on this knowledge. It declares that the Government has a right to a certain share of the produce of the land. I think this is the only sound and rational basis on which the superstructure of a revenue settlement can be erected. It is the source whence rents and revenue emanate. If its quantity is assumed, controversy as to the correctness of rates never ceases. If it is omitted from the calculation, there is an incompleteness in the array of facts, making a flaw penetrating to the highest proceedings and fatal to all logical conclusions. Armed with correct information on this point, and this information rectified by accurate tables of prices, the Settlement Officers proceedings can hardly be impugned.

31. It will be seen from the above remarks from para. 5, that I do not see from what data adequate permanent rents can be arrived at, or that there is a single known condition existing which has any signs of permanency.

32. The staples whose prices should be recorded for settlement purposes, are wheat, barley, gram, bajra, pulses, and sugar—and perhaps Indian corn and jowar, and rice in certain places. Prices should be averaged every five years, but all years of scarcity should be omitted as exceptional: for in grain dealing in this country, where bad seasons are frequent and extend over a great extent of country, and no supplies can be drawn from abroad, exceedingly high prices rule in famine years; these prices are signs of distress and not of thriving trade, and they would, if included in the average, exert an influence, the very reverse of what the circumstances require. It is hard to say where this line should be drawn. I would omit those years from the calculation in which the price of any of the staples selected was double the price in any other year in the period.

33. Referring to the 4th para. of your letter, I think the present standard of assessment (as I have reported before) at 50 per cent. of the rental, is far too great a share to relinquish to the proprietor. Formerly the revenue professed to be two-thirds of

the rental assets; the difference between the old rate and the new is one-sixth, or nearly 17 per cent. in favour of the proprietor.

34. It must not be forgotten that land has changed owners so often since British rule, thanks to the barbarous spoilations of proprietors' rights at the last settlements, and to our Civil Laws, which are so partial in their working, that there are few sentimental or political reasons left for givins easy terms, so that we might deal lightly with old proprietors and purchase their fidelity to our rule. The opportunities afforded in 1857 showed that whole districts were disaffected, and prominent amongst the disaffected were the old proprietors, or their descendants, who at once deposed the new men: and by common consent in their villages were reinstated in their old positions and possessions.

35. It cannot be said that the present lenient terms will repair the old mistake, and bring up a race who will be as faithful as their predecessors might have been under more judicious treatment, for we have introduced a new class of men into the ranks of landed proprietors, who politically are no sort of use to us, and in truth, are a standing source of irritation and discontent. The new men are bankers, or old Government officials, or sucessful members of the native bar; they are useless subjects and bad landlords, who have bought land merely as a speculation. These are, in hundreds of instances in every district, absentees from their new possessions for the best of reasons—that they dare not trust their lives amogst their ten antry: and they are represented by agents who have no sympathy with the people, but are selected for qualities which keep the wound open between the landlord and the people, for they are harsh and grinding. Their position in fact depends on their success in obtaining the most they can get under the name of rent. These agents dare not appear in their villages unless with a following sufficiently strong to overcome all opposition. A few figures will show the position under the new rules of these proprietors relatively to their former positions.

36. An estate yielding Rs. 1, 500 a year rent, under the old terms paid Rs. 1, 000 a year revenue to Government and Rs. 500 was left to the proprietor. 20 per cent, is no very unusual rate of enhancement of the Government Revenue under the new settlement, so the estate that used to pay Rs. 1,000 will now pay Rs. 1,200, and this being at half the rental, assumes a full rental of Rs. 2,400, so the proprietor gets Rs. 1,200 instead of Rs. 500, or an increase 140 per cent, with our laws to ensure that he does get it. I cannot see that he has any sort of claim or a shadow of right to this great concession, or that we can afford to make it. I think we should revert to the old rates whenever it is possible to do so without breach of honour or infraction of implied promises.

37. The rent-laws, where they relate to the rights of sub-proprietors, by which term I mean tenants with rights of occupancy, must restrict the full demand for land revenue to which Goverment is justly entitled. It is no easy matter to establish in a Civil Court that the conditions are fulfilled which admit of enhancing an hereditary tenant's rent; the process is expensive, and the risk of an adverse judgment cannot be incurred except by an opulent proprietor, and the law is administered by judges who to a great extent are ignorant of everything but the mere letter of the law, for they have not graduated amongst the people and in the Revenue Courts. Let each department discharge its own duties in full, and let all connected with rents and revenue be left to Revenue Officers, who have more knowledge and experience of Revenue questions, and of the customs which are at the back of every Revenue question, and are at least as competent to decide them as the opposite branch of the service by whose action in the Appellate Courts they are now liable to be overruled.

38. I think there can be no greater anomaly or error in system than to allow a Bengalee Moonsiff to listen to an appeal from a Settlement Officer's or Collector's order on any revenue question. The Revenue Officer works in these respects with

his hands tied. A reversal of his decision, even by such an incompetent officer as a Bengalee Moonsiff is prejudicial to his authority; his assessment, liable in all cases to such revision, is likely to be influenced below what he may think accurate and just by his certainty that he cannot array all his facts and knowledge and experience before the Lower Appellate Court, or that they would be understood and fairly valued, did he so array them.

39. With reference to your third point, I do not see how a Settlement Officer can assume that rents can rise much beyond the highest rents he finds. He may expect a rise, and have reasons for his expectations, but he cannot possibly fix a limit to be reached in any given period; but, unless the rise in prices has been very recent, he will probably find that rents have risen somewhere or other; and he is fully justified in assessing his revenue according to the highest rates he can find, trusting to a general rise to the highest level he has discovered, unless other circumstances intervene, which it is his business to find out and duly value.

40. Or he may be guided by rates prevailling elsewhere. For instance, I see no reason why Furruckabad rates, which are low, should not be influenced by rates in Cawnpore, the adjoining district, which are high, there being no perceptible reason for the difference. The Settlement Officer can hardly take too wide a view of this question.

41. But I should be very careful before I shortened the period for which settlements are made, or permitted enhancements of Revenue within that period. If there is no prospect of some stability, there will be an apathetic state; a feeling that the profits of capital invested will not be enjoyed, and that labour will be thrown away; that Government will benefit too much by the landlords' outlay, and therefore it will not be given. Indian landlords are not much given to lay out capital in improvements; but still cases of their doing so are not unknown, and there must be no obstacle to their doing so in our system. I think a period of 25 or 30 years is none too long for a settlement to extend to. It admits of a certain recovery of all capital spent in improvements.

42. As soon as a settlement was concluded, all possible assistance should be given by Government by tuccavee advances in tanks and wells, or by canals and roads, to force on agriculture, trusting to be recouped when the time for re-settlement came. It should be an important part of a District Officer's duty to see to such duties, and the Government should insist on its being done. Let Government find the capital on easy terms for such improvements, for it will not be forthcoming from the Native proprietor. Its reward is sure to come by-and-bye.

43. No improvements should demand any alteration of the engagement during the period for which it was originally drawn up. If a canal is introduced, let the water be sold. If a rail-road is made, let it work out the usual revolution in prices and rents which trade must bring, and let Government benefit by these rises when the time for a re-engagement arrives.

44. The question here suggests itself whether Government has any right to regulate rents. As yet, it has no such right in law, but I think it has in equity, and that this right should be legalized and put in force at the time of settlement. I believe much good would result from a judicious exercise of such a right. As a fact, rents are often enhanced by the direct aid of Settlement Officers, but some prefer leaving rents to rise naturally, and assess the revenue on an assumed rental, trusting to time and the law to bring the actual rents up to their assumed standard.

45. Wherever this is done it is clear that the rule of half rentals as a revenue basis is departed from; conjecture steps in, and no rule at all remains; the landlord is left in the lurch by the Settlement Officer, and is driven to obtain what is by implication said to be his just due, by a resort to laws which are expensive to put in force, which are uncertain in their action, which jealously guard tenants' rights; and are administered by another department.

46. All this is very wrong, and it follows I think that rents should come under official revision at settlement. I would not exempt any class. Even the favoured hereditary occupant should come under the action of this revision.

47. We have created these hereditary tenants in thousands where they never existed before, where they were satisfied with their previous state of tenants-at-will (for the will was temperately and judiciously enforced from self-interested motives), and I do not know what good has come of it, or is expected to come of it. A zemindar believes there is no more noxious weed in his village than his hereditary tenant, and he roots him up if he can. This tenant does not add to our strength in any way; he intercepts a share of the Government revenue, and he is an impediment to revenue progress which it is hard to overcome.

48. Some say they are the best tenants in a village. They are as often the worst; and they are not good from the fact that they are hereditary, but merely because they are old occupants and have the best land. I cannot see why they should on these grounds be entitled to exceptional treatment, and impose a bar to our just and undoubted right to enhance our revenue.

49. But as they have been made and exist they must be accepted as they are, and their rights respected to hold at exceptional rates. There is no reason though why every term in the law should be in their favour. I believe we shall discover in time what an evil they are, and that their increase should not be recognized by law. At present they are created as much by *laches* on the part of the zemindar, or by any other cause, that is, by accident; and this happy accident puts them under protection, and is a barrier to that enhancement of rent and revenue, which other subjects have to submit to and contribute their share of.

50. I would empower the Settlement Officer to enhance their rents in all cases in which he was satisfied that the law, were it put in force, would permit the enhancement, and thus save the landlord from being driven to litigation to enforce his just rights.

51. If we attempt to extract from the landlord any part of these intercepted revenues, we may be certain the landlord will prefer to apply a rough remedy (in thousands of cases), and prefer to resign his embarrassing and profitless position; or if he holds on he will recoup himself by extorting the most he can get from his other tenants.

52. Settlements have now been in progress for 15 years in these provinces, and I have hardly met two Settlement Officers who agree in theory and principles. If all their ways are right, settlement work must be very easy: if many are wrong, some effort should be made to lay down a code of instructions deciding theory and principles at least, and a few plain instructions in procedure. The Punjab Settlement Act requires this to be done. We might, with the greatest advantage, follow their example.

53. I have known one Settlement Officer say he was not well practised in measurements; he did not care for measurements. I can hardly imagine a more fatal error in a settlement than a wrong measurement; it must involve an injustice to one side or the other. I have known another officer declare no guide was necessary beyond existing rents; and another, that rent-rolls were fabricated, and that rents were so irregularly imposed that they were no guides at all. Many affect to despise all attempts to discover what the amount of produce actually is. Some raise rents to meet their standard, others leave the rents to grow by ordinary processes to their standard. I have known an officer send up his own assistant's report on rent-rates, and his recommendations regarding assessments, and say that he believed his assistant's conclusions were fairly near the mark, though he questioned all his premises and every process he had employed. There are as many opinions as there are men. I think this state of things should cease.

54. Though I am no advocate for a permanent settlement, or for altering the terms of an engagement on any pretext, and though I believe settlements for limited periods are the best and the only ones our present circumstances admit of, still I would

never revise the terms of a settlement, because the old period had run out. I would renew the old terms if possible, if prices and other conditions indicated that no great change had occurred, or I would enhance a percentage all round, trusting the former data more than they are trusted now. If possible, I would renew the old terms for a further period for the old cultivated land, and measuring up the new cultivation, assess it on the old rates, and leave them at rest. The uncertainty of what the result will be affects the value of property at least for the two years a settlement is in progress; the expenses of a new settlement are immense; the letting loose a swarm of Settlement Department subordinates over a district is an unmitigated evil, and a very costly one to the people.

55. In this view, there are districts or portions of districts in these Provinces, which were perhaps highly assessed before, or have experienced hard times, in which I believe the advancement has not been as general as in other places. To these I would have assigned a further period on the old terms, or I would have measureed up only the new land and assessed it only. Briefly, I would have shortened the process as much as possible, or I would have altogether postponed it.

56. To render this extension of settlement possible and on good cause shown, it would be necessary to insist on the maintenance of a village history, to be kept up by the District Officer. In this history, opinions on the terms of settlement, whether light or fair, or heavy, the occurrence of famines, its changes of owners, and for what reasons, and any facts affecting its rent-paying capabilities, should be recorded. When the time for re-settlement approached, a well-kept record of this description would clearly indicate whether the expensive process of a re-settlement should be enforced, wholly, in part, or not at all.

57. Finally, though I object altogether to a purely permanent settlement, I would let all settlements be as permanent as circumstances would admit, without ever committing the Government to a promise that it was actually permanent. It should depend entirely on the conditions of those facts which are considered when a settlement is made, and on which alone it could be pronounced to be in a fit state to be altered.

Report by A. CADELL, ESQ., *Settlement Officer, Mozufferuggur, 13th January*, 1873.

IT is well that this Note should be begun with the avowal that on every ground I am opposed to a permanent settlement, as involving a large and incalculable loss to the State, and injuring rather than benefiting the great mass of the people. For, however much a permanent settlement might benefit a daily decreasing number of proprietors, it would, I am convinced, do far more harm than good to the great mass of the agricultural population; and if it be still the maxim of Government, "that the good treatment of the cultivators is the main object of all revenue management," the idea of a permanent settlement ought, in my opinion, for ever to be abandoned. It may I presume be assumed as notorious, that the agricultural population of the permanently-settled districts is not more prosperous than that of the districts in which the land revenue settlement is periodically revised; and it is a fact, which in the Upper Doab at least has been generally observed, that the cultivators of revenue-free villages, which approximate most closely to permanently-settled estates, are almost invariably worse off than those even of the most heavily assessed estates. There are, I am aware, a variety of reasons which contribute to this result, but absolute independence of Government on the part of the landlord, does not tend to the kindly treatment of the tenant. Indeed experience shows that the tenant is best off where the State takes a large share of the assets, and assesses that share at comparatively short intervals.

2. The objections taken to temporary settlement are, that it entails trouble and expense upon the people, that it retards improvement, and that it necessitates a large periodical expenditure on the part of the State. The last objection is not in my opinion so telling as it might at first sight appear, for on the whole the cost of re-settlement is

far more than made up for by the enhancement of the land revenue; and in future this is likely to be even more the case than hitherto, for it may be assumed that Government has now got to the end of its liberality, and that no further reduction of the proportion claimed by the State in the assets of the land is contemplated. The whole of the expense, too, attending a revision of settlement under the present rules, is by no means necessary for the mere re-assessment of the land revenue, but is, to a considerable extent, incurred on general administrative grounds, and the revision of those portions of the settlement record (not absolutely required for the re-assessment of the land revenue) has been found necessary in permanently-settled districts. Our present policy is that of keeping up a starved permanent revenue establishment, and revising all the village papers at intervals of 20 or 30 years; but it is quite possible that the record of argicultural customs and tenures should be so accurately kept up that no fresh papers, or at all events only a very few, would be required for the revision of assessment; and if this should ever come to pass the expense of settlement operations would be greatly lessened, and the village papers, which are so necessary to successful administration of justice, would be much more useful than they are at present, and re-settlements at intervals of, say, 20 years, might be effected at a minimum cost to the State, and without involving any great amount of hardship to the people.

For what is in my opinion the main objection to temporary settlements, the trouble and expense involved to the people, would be in a great measure obviated if a great portion of the work now done by the Settlement Department were done through a permanent establishment well known to the people. For purposes of assessment, if the village papers were accurately kept up, all that would be required would be a rough survey—a field-book, showing soils and areas, and a record showing the proprietors from whom, and the proportions in which, the newly-assessed revenue was to be levied.

The third objection against temporary settlements is, I think, an exaggerated one. Even in revenue-free estates, improvements requiring any great expenditure of capital are not very common; and it is remarkable how little the few improving proprietors that exist are restrained by approaching re-settlement; and, still less, energetic cultivators, as witness the reckless manner in which irrigation is extended even during settlement. Here, as at home, the true impulse to improvement is not merely the knowledge that all the benefit of the improvement will accrue to the owners of the land, but substantial aid in the form of money advances, which, if generally given, are much more likely in my opinion to hasten on improvement than a permanent restriction of the amount paid to Government, by what is proverbially the most thriftless class of the community in all countries.

3. I now proceed to discuss as briefly as possible "the several points indicated by Government in respect of a permanent settlement."

I.—Whether it might be possible to lay down some standard of average rates below which no settlement shall be confirmed in perpetuity?

It would be very easy to lay down some standard of average rates below which no settlement should be confirmed in perpetuity, but such a standard would obviously only save Government from loss by the permanent settlement of backward or lowly-assessed estates—of estates which had been neglected by their landlords, and were below the average of the pergunnah in progress, or which, without being backward in cultivation, had been accidentally or on special grounds assessed at lower than average rates. But such standard rates would in no way prevent the State from suffering from the permanent settlement, which would prevent it from sharing in the increasing rental of the best estates. Average rates too, unless applied to the different soil areas, would again exclude those estates which are inferior in natural fertility of soil to the average of the pergunnah or circle. But it would, in my opinion, be useful to have such rates, not in order to draw a hard and fast line, but in order to secure full and sufficient explanation in the case of the extension of permanent settlement to estates assessed at low rates, and where canals exist or are likely to be introduced: the only safe guide in the selection of estates for

permanent settlement is the general rule laid down by the Secretary of State, which moreover ought in my opinion to be interpreted in the manner most adverse to permanent settlement. For it may safely be stated that no canal official, any more than revenue officers, can predict with any approach to certainty the changes likely to take place in the distribution of canal water; and an officer, settling in permanence an estate as hopelessly dry, might see, before his work in the district was well over, a canal distributary constructed wholly at the expense of the State, running through the middle of it. It would therefore, I think, be a rash measure in a district with any prospect of considerable extension of irrigation from canals (and there are very few which can be said to have no such prospect) to settle any estate in permanence not already fully irrigated; and in the case of estates not irrigated or likely to be irrigated from canals, the true way to encourage extension of irrigation, is not in my opinion a permanent settlement, but a liberal and simple system of advances for land improvement.

4. At present in the Upper Doab a revenue rate on cultivation of Rs. 3 per acre may be looked upon as a fair one for a well cultivated fully irrigated estate; and on going over again my proposals for the permanent settlement of estates in this district, I find that there are only a few estates situated on the banks of rivers, and with a considerable area of uneven land, which could in my opinion be permanently settled at a lower rate without incurring serious loss to the State; and there is probably no estate really fitted for permanent settlement but assessed at a lower rate, the grounds for the exceptional treatment of which could not be readily explained. Such a general standard rate would restrict the extension of permanent settlement to estates highly and successfully cultivated: but this is I think very desirable, for permanent settlement on existing assets means simply that the energetic landlords, who have worked hard and spent money and secured the irrigation of their estates, should pay a high assessment for ever; while the sluggish and unenterprising, or those who have purchased from them, should receive as a premium on their idleness, or on that of their predecessors, a light assessment in perpetuity. It might no doubt be worth while to stereotype such inequality, as well as to incur considerable loss, if the measure were to lead to great and rapid improvement; but experience in other countries as well as in India, has shown that exemption from land revenue, or from the enhancement of it, does not necessarily involve the expenditure of capital on land. I have already stated that much as standard rates would secure Government from loss by restricting the number of villages to be settled, it could not, I think, do more; and I do not think that there is any reason to suppose that rents can be said "to have reached their full present limit." I am very much inclined to think that in this neighbourhood the rise in prices has had as yet but a comparatively small effect on rents; and that the main cause as yet of the considerable rise of rents in this neighbourhood, is due to improved cultivation and increased competition. A rise in prices is not of course an unmixed good to the agriculturist, for it increases the cost of all labour. A rise in prices therefore of 25 per cent. does not necessarily involve a rise in rents in that proportion; and if the rise in rents were mainly due to the rise in prices, it might have been expected that the highest rents would have risen as well as the lower ones. But this has not generally been the case: the rents of the many estates have risen to the level, or nearly to the level, of the few; but the rents of the estates, which were thirty or forty years ago in a very high state of prosperity, have hardly if at all risen.

5. That this state of things will last for ever, or even for any length of time, cannot of course be looked for. The best estates have, it would seem, been almost stationary, while the poorer townships have been making rapid progress and coming up with them. In canal-irrigated tracts, indeed, the very best, most fully irrigated estates of thirty years ago, have probably hardly perceptibly improved. The general tendency has been to extend the area of tolerably high cultivation, not to cultivate still more highly than of old the fields which bore the best crops; and one of the results of the rapid extension of canal-irrigation has been that much of the labour formerly devoted to the best of the lands of the thickly populated townships, has been diverted to the, in

former days, comparatively neglected fields, which the supply of easy irrigation has rendered capable of producing the best crops. This circumstance has, I believe, been the chief cause of the phenomenon which has so much surprised partially informed persons, that Settlement Officers now-a-days are—in the Upper Doab at least—assessing at rates which are almost identical with those used by their predecessors 30 years ago. As far as I know the recent assessments in Meerut have been based on rates not in excess of those assumed by Sir Henry Elliot in 1836, and by Mr. Plowden in 1840; and the new rates proposed in this district are rather below than above those of the adjoining pergunnahs of Meerut. This similarity of the new rates to the old I have tried to justify by the assertion that the average of every kind of soil is worse than it was 30 years ago; that the irrigated land has extended so rapidly, that although the areas of the best crops have been doubled, their extent in proportion to the irrigated land is less than before—that the average dry loam is worse than of old, because so much of the best level land has come under irrigation, and because the increased extent of irrigated land employs all the labour and care of the agricultural population, steadily increasing as it is. That the average *bhoor* or sand is inferior to that under cultivation 30 years ago, may safely be attributed to the fact that a good deal of the very worst land has been brought under cultivation, so that in this way the average has been lowered, and this result has to a certain extent been aided by the extension to the best of the sandy land of irrigation from the canal, and the consequent extension of this land from the area of dry sand.

6. That all these changes combined have had the effect of almost exactly balancing the effect on the rent-rates which would have been exercised by the substantial rise in prices, by the improvement of cultivation, and by the increased competition, is a coincidence which, however remarkable, is in no way likely to continue. Although the total rental of such tracts has enormously risen, these tracts have during the last 30 years been passing through a transition state, during which rent-rates have not materially risen in the best estates, while in the backward estates they have risen only to the standard not uncommon in their better cultivated neighbours 30 years ago. That these rates will, 30 or even 20 years hence, continue to remain stationary, there is, I think, no reason to expect. In a great many, not only of the best estates, but the best tracts, irrigation cannot be greatly extended. No very startling change is to be looked for; rising prices, an increasing population, and a steadily increasing demand for land will have their effect on the rent-rates, and a general rise may be anticipated.

7. It is unfortunate that the absence of statistics should prevent an accurate comparison between the rents of 30 years ago, and those of the present day; but in this district any such comparison is in most cases difficult. Where rents were collected by crop rates and in kind, every improvement in cultivation and every rise in price gave the landlord his full share in the increased produce of the soil; and in most of the populous fairly cultivated townships, the crop rates and the share of the produce taken by the landlords were so high, that little enhancement was practicable, so that here too in this respect at least the backward estates have been gaining upon the better villages, while these latter have stood still.

Thirty years ago money rents were exceptional, and where recently kind rents have been changed into money rents, there are few cash rents of the old settlement with which to compare the new ones. In the tracts again in which here and there cash rates existed 30 years ago, the introduction of canal-irrigation has so entirely changed the character of the various soils, that no exact comparison of the old and new rates can be made. It would appear, however, from instances here and there in which comparison can be made, that in fair and good estates rent-rates have risen 10 to 25 per cent., that in the best estates the rise has been the least, and therefore that the rise in rents hitherto has, in all probability, been more due to improved cultivation and increased competition than to the rise in prices. It is also to be noted that in the cases in which the apparent rise has been the greatest, the rents of 30 years ago were fixed by the Settlement Department, and were probably rather low than otherwise.

8. And there is no good reason for the supposition that the rise of prices is yet at an end, and at all events there is every likelihood that a few years more will show results, which will make it certain to every one that prices have risen permanently, and it is necessary that this conviction should become general, not only among officials and others, but among the agricultural community, before rents should rise very materially on this account.

For my part I do not think that the most recent rise has as yet had much effect upon rents. The moderate rise which might fairly have been assumed after the famine of 1861-62, has no doubt been taken into consideration, but that was a rise of about 10 per cent. since the former settlement in 1841, not of 20 or 25 as may now with safety be assumed. Nor do I think that we have any reason to suppose that prices have reached their present limit, or at all events that the average price which can be assumed now, will not before long be exceeded. For it is to the average of a considerable number of years that we must look, not to the average of the last five or six, which has been nearly if not quite equalled by that of similar periods many years ago. Nor do the causes, which have been chiefly instrumental in effecting a rise in prices, appear to have come to an end; and the competition for land, which has hitherto had more to do with the rise in rents than the enhancement of the price of agricultural produce, is becoming year by year more eager.

9. It has been already stated that an accurate comparison of rent-rates is in this district difficult, but the comparison of assumed rentals in 1841 and 1863, and for 6 pergunnahs in 1871, shows the advance in the assets of the district; and it is notorious that for the great majority of the pergunnahs in this district, the rental assumed has been extremely moderate:—

	Assumed rental of former settlement, 1841.	Assumed rental of present settlement, 1861-63.	Increase assumed.
	Rs.	Rs.	Rs.
Bugrah, ...	1,29,543	1,63,382	33,839
Churthawal, ...	98,115	1,22,514	24,399
Gordhunpoor, ...	29,187	34,434	5,247
Shamlee, ...	1,80,459	2,40,114	59,655
Thanah Bhowun, ...	84,366	1,14,162	29,796
Jhinjhanah, ...	94,584	1,11,396	16,812
Kairanah, ...	74,356	1,04,614	30,258
Bidowlee, ...	56,857	58,250	1,393
Boorhanah, ...	1,12,525	1,39,692	27,167
Shikarpoor, ...	1,59,078	2,06,602	47,524
Kandhlah, ...	1,51,134	2,22,820	71,686
Total, ...	11,70,204	15,17,980	3,47,776 or 30 per cent.

	Assumed rental of former settlement, 1841.	Assumed rental of present settlement, 1871.	Increase assumed.
	Rs.	Rs.	Rs.
Khatoulee, ...	98,869	1,83,606	84,737
Jansuth, ...	84,228	1,64,696	80,468
Bhoomah Sumbulherah, ...	70,788	1,06,697 (Approximate.)	35,909
Bhookurheree, ...	80,260	1,59,577	79,317
Moozufferruggur, ...	89,961	1,61,231	71,270
Poorchupar, ...	85,420	1,19,969 (Approximate.)	34,549
Total, ...	5,09,526	8,95,776	3,86,250, or 75 per cent.
Grand Total of District, ...	16,79,730	24,13,756	7,34,026, or 44 per cent.

The above statement shows that even in pergunnahs not affected by canals the increase to the assets during 20 years has been very considerable, and this increase has, it is pretty certain, been as a rule under-stated. In Shikarpoor, for example, the rent-roll has been calculated from the jumma on the assumption that the assessment was a half-asset one, whereas in half the pergunnah the land revenue was assessed at from 70 to 80 per cent., so that the assumed assets of 1841 ought probably to have been stated at a lower figure, while the assets of 1861 are lower than they might be. In Kandhlah, in the same way, the assets of 1841 are almost certainly higher than they were assumed to be, while the estimate of the assets in 1863 is an extremely moderate one. In pergunnahs like Boorhanah and Shikarpoor, where there was little land left to bring under the plough, the increase to the rent-roll has been due to improved cultivation, which has increased the areas of the best soils, and partly no doubt, although the change from kind to money rents makes this less clear, to a rise in the rent-rates. However this may be, even the assumed rentals stated show a large advance over those of 30 years ago; and there can be little doubt that for by far the great portion of the district, the assumed rental has been stated at considerably below rather than above a fair rental of the land; and so far from the rise of rents being at an end, I am inclined to think that, even in the tracts in which there has been the greatest enhancement of the gross rental, the rise is only now beginning; and it is pretty certain that if no great catastrophe occurs, the declared rental of the revenue-paying land in the district will, before the period of the present settlement expires, very largely exceed the assumed rental entered in the foregoing statement.

11. In the event of a permanent settlement being concluded, I am strongly of opinion that the assessment should be fixed permanently in grain or other produce, and that the money value should be calculated at intervals of, say, 30 years. As some considerable period is required to show with certainty the tendency of prices, I think that the interval should be a considerable one. In the Upper Doab wheat would, I think, be the staple by which the increase of prices should be tested; and where fixed quantities of produce have been fixed as rent, wheat has always, as far as my observation goes, been chosen by the people. With this protection to Government, and with the restriction of the measure to the fully irrigated, highly cultivated, and fully assessed estates in the district, permanent settlement could do comparatively little harm to the revenue, but it could also do comparatively little good.

12. With reference to the present system of temporary settlements, I think that it is too late now to discuss whether 50 per cent. is a sufficient share to take for the State. The promise of a 50 per cent. assessment is looked upon by the people in a very different light, from the vague prospects which have been held out of a permanent settlement. The former has not only been talked of and written about, but actually granted, and I hold that it would be in the highest degree inexpedient for Government to make any alteration. Nor do I think that a 50 per cent. assessment is inadequate, except in canal-irrigated tracts; and in them the State has, by its present system of assessment, relinquished to the landlord nearly half of the indirect profits from the canal; and this is in my opinion to be remedied, not by increasing the share of the rental taken by Government, but by charging full market rates for canal-water, and thus preventing the rental from being unduly raised by the relinquishment on the part of Government of its obvious rights as owner of the canal.

I do not think that any discretion should be allowed to the Settlement Officer of assessing particular estates, or the estates of particular classes, at more than half assets. As a matter of fact, he can and does exercise his discretion in favour of numerous and needy communities, and I do not think that he should be formally empowered to take from any estate a share greater than that fixed for all. It is better that the wealthier landlords should pay a little less than they might pay, rather than that the share of the assets to be taken by the State should be left an open question, and that more chances and inequalities should be introduced into settlement.

13. II.—The question whether "the operation of the rent-laws results in restricting the full demand for land revenue to which the Government may be justly entitled," is one regarding which experience varies very much. For my own part I have no complaint to make either of this portion of the rent-law or its administration, and I am inclined to think that on the whole the action of the Courts has had a good effect in checking too rapid and wholesale enhancements. They give too a protection which the privileged tenant has a right to demand, and which may sometimes be necessary now-a-days, when the margin allowed to the landlord is so great that he may find it to his advantage, and often seemingly does, to attempt to rackrent the tenant even pending settlement.

14. III.—This is a question regarding which I find it difficult to make any very definite answer, and regarding which it would be difficult to lay down any fixed rule. In this district when fixing an assessment for 20 years, I do not as rule assess at rates in excess of those assumed; and where there is no special ground for other procedure, fix the assessment at half of what I consider a full rent-roll, and mean to fix as such. As a rule the estates in which any considerable rise in the rental during the period of settlement is taken for granted, are formerly backward estates in which the previous jumma was extremely low, and in which a considerable enhancement has been taken. In such cases the landlord may be well able to pay the enhanced jumma, and owing to the re-adjustment of the rent-roll his income may be increased; but still the enhancement all at once of the rental to the full standard might press heavily on the cultivating body. Such cases are dealt with not on the assumption that enhancement of rent-rates beyond the prevailing standard may be looked for, but on the plain ground that tenants without capital and paying extremely low rents, must be brought gradually to pay the prevailing standard rates, or at least rates only a little below them. One great advantage of short terms of settlement would be that there would be less temptation than there is to make assumptions of this kind, which are always more or less dangerous. If it should be found possible so to keep up the records of landholders' and cultivators' rights that periodical revision should not be necessary, and so to render the work of assessment so simple and inexpensive, that 20 years' settlements would be unobjectionable on the score of expense, the assumption of a prospective rise in the rent-rates might be wholly abandoned; and the only grounds for assessment above the half of a fair standard rental at the time of settlement, would be prospective increase of cultivation or irrigation, neglect on the part of the landlord to secure a fair standard of cultivation, or the fixation of a low rental for a period in consideration for the tenants.

15. It would, I consider, be extremely inexpedient to leave the assessments open to re-adjustment during a temporary settlement on any ground whatever, except perhaps the introduction of canal-irrigation. If the assessment should on any ground become intolerably heavy, Government would have to reduce it; but I think it very much better that Government should forego any slight advantage which it might possibly be able to obtain during settlement, rather than it should introduce any needless uncertainty into the land settlement. In the case of Pergunnah Baghput and in other similar instances, Government may lose something, but it will probably be in the end a gainer, by leaving the people to themselves for 20 years. Constant meddling with settlements is a process both expensive and unsatisfactory, and would probably have the effect of retarding the rise of rents. When canal-irrigation is introduced pending settlement the case is different, the change is immediate and apparent; but even here I would rather prevent any important change in the rent-rates owing to this cause, by charging full water rates, than by adding any special rate on irrigation during the period of settlement; and if the canal revenue administration were in this way improved, and if settlements were made for periods of 20 years, there would be even less necessity than there now is for re-adjustment of the Government demand.

16. I do not wish to underrate the utility of landlords, but although they are extremely useful in saving Government from the ordinary management of estates, they are not as a rule to be trusted for improvement, unless with the aid of the State;

and for improvements we must in my opinion look to the cultivators, to the gradual progress of the country, to Government improvements, and to a well-considered system of advances for land improvements made to the landlords. I do not therefore look for any great benefit from permanent settlement, and the disadvantages are obvious; and I am convinced that in addition to a great loss of revenue, it would injure rather than improve the condition of the great mass of the agricultural population, to whom a periodical re-assessment of the share of the assets taken by the State is in some measure a security against rackrenting, which might become excessive if the landlords should ever become entirely independent of Government interference.